

Company Number: 5114014



THE COMPANIES ACT 2006

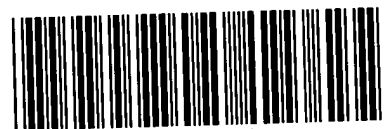
ARTICLES OF ASSOCIATION

- of -

LSL PROPERTY SERVICES PLC

(Adopted by Special Resolution passed on 23<sup>rd</sup> JUNE 2021)

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**EXCLUSION OF OTHER REGULATIONS**

1. This document comprises the Articles of Association of the Company and no regulations set out in any statute or statutory instrument concerning companies shall apply as Articles of Association of the Company.

**DEFINITIONS AND INTERPRETATION**

- 2.1 In these Articles the following expressions have the following meanings unless the context otherwise requires:

<b>Act</b>	the Companies Act 2006.
<b>address</b>	in relation to electronic communications, includes any number or address (including, in the case of any Uncertificated Proxy Instruction permitted in accordance with these Articles, an identification number of a participant in the relevant system concerned) used for the purposes of such communications.
<b>Articles</b>	these Articles of Association as altered from time to time.
<b>auditors</b>	the auditors for the time being of the Company.
<b>Board</b>	the board of directors of the Company or the Directors present at a duly convened meeting of the Directors at which a quorum is present.
<b>clear days</b>	in relation to the period of a notice, that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.
<b>communication</b>	has the same meaning as in section 15 of the Electronic Communications Act.

<b>Company</b>	LSL Property Services plc.
<b>Company's website</b>	any web site, operated or controlled by the Company, which contains information about the Company in accordance with the Statutes.
<b>competent authority</b>	the designated competent authority for the purposes of Part VI of the FSMA.
<b>Directors</b>	the directors of the Company for the time being.
<b>elected</b>	elected or re-elected.
<b>electronic communication</b>	has the same meaning as in section 15 of the Electronic Communications Act.
<b>Electronic Communications Act</b>	the Electronic Communications Act 2000 (as amended from time to time).
<b>electronic facility</b>	includes, without limitation, website addresses and conference call systems, and any device, system, procedure, method or other facility whatsoever providing an electronic means of attendance at or participation in (or both attendance at and participation in) a general meeting determined by the Board.
<b>exercise</b>	in the context of a general meeting, a person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting; and a person is able to exercise the right to vote at a general meeting when: (a) that person is able to vote, during the meeting (or, in the case of a poll, within the time period specified by the chairman of the meeting) on resolutions put to the vote at the meeting; and (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
<b>FSMA</b>	the Financial Services and Markets Act 2000 (as amended from time to time).
<b>group</b>	the Company and its subsidiary undertakings for the time being.
<b>holder</b>	in relation to shares, the member whose name is entered in the register as the holder of the shares.
<b>in electronic form</b>	in a form specified by section 1168(3) of the Act and otherwise complying with the provisions of that section.
<b>London Stock Exchange</b>	London Stock Exchange plc.
<b>member</b>	a member of the Company.
<b>month</b>	calendar month.

<b>office</b>	the registered office for the time being of the Company.
<b>Operator</b>	a person approved under the uncertificated securities rules as operator of a relevant system.
<b>paid up</b>	paid up or credited as paid up.
<b>recognised person</b>	a recognised clearing house acting in relation to a recognised investment exchange, or a nominee of a recognised clearing house acting in that way, or a nominee of a recognised investment exchange.
<b>register</b>	the register of members of the Company to be kept pursuant to the Act.
<b>relevant system</b>	means a relevant system (as defined in the uncertificated securities rules) in which the Operator of the relevant system has permitted the shares or securities of the Company (or the relevant shares or securities) to be transferred.
<b>secretary</b>	the secretary of the Company or any other person appointed to perform any of the duties of the secretary of the Company including a joint, temporary, assistant or deputy secretary.
<b>Shareholder Information</b>	notices, documents or information which the Company wishes or is required to communicate to shareholders including, without limitation, annual reports and accounts, interim financial statements, summary financial statements, notices of meetings and proxy forms.
<b>Statutes</b>	the Act and every other statute (including any orders, regulations or other subordinate legislation made under them) for the time being in force concerning companies and affecting the Company (including, without limitation, the Electronic Communications Act).
<b>Uncertificated Proxy Instruction</b>	a properly authenticated dematerialised instruction, and/or other instruction or notification, which is sent by means of the relevant system concerned and received by such participant in that system acting on behalf of the Company as the Directors may prescribe, in such form and subject to such terms and conditions as may from time to time be prescribed by the Directors (subject always to the facilities and requirements of the relevant system concerned).
<b>uncertificated securities rules</b>	means any provision of the Act relating to the holding, evidencing of title to, or transfer of uncertificated shares and any legislation, rules or other arrangements made under or by virtue of such provision.
<b>uncertificated share</b>	means a share in the capital of the Company which is recorded on the register as being held in uncertificated form and title to which may, by virtue of the uncertificated securities rules, be transferred by means of a relevant system, and references in

these articles to a share being held in uncertificated form shall be construed accordingly.

**United Kingdom**

Great Britain and Northern Ireland.

**website communication**

the publication of a notice or other Shareholder Information on the Company's website in accordance with Part 4 of Schedule 5 to the Act.

**working day**

means a day that is not a Saturday or Sunday, Christmas Day, Good Friday or any day that is a bank holiday under the Banking and Financial Dealings Act 1971 (c80) in England and Wales

**year**

calendar year.

**2.2** References to "writing" include references to printing, typewriting, lithography, photography and any other mode or modes of presenting or reproducing words in a visible and non-transitory form whether sent or supplied in electronic form or otherwise.

**2.3** Words importing one gender shall (where appropriate) include any other gender and words importing the singular shall (where appropriate) include the plural and vice versa.

**2.4** Any words or expressions defined in the Act, the Electronic Communications Act or the uncertificated securities rules shall, if not inconsistent with the subject or context and unless otherwise expressly defined in these Articles, bear the same meaning in these Articles save that the word "company" shall include any body corporate.

**2.5** References to:

**2.5.1** "mental disorder" mean mental disorder as defined in section 1 of the Mental Health Act 1983 or the Mental Health (Scotland) Act 1984 (as the case may be);

**2.5.2** any statute, regulation or any section or provision of any statute or regulation, if consistent with the subject or context, shall include any corresponding or substituted statute, regulation or section or provision of any amending, consolidating or replacement statute or regulation;

**2.5.3** "executed" include any mode of execution;

**2.5.4** an Article by number are to a particular Article of these Articles;

**2.5.5** a "meeting" shall be taken as not requiring more than one person to be present if any quorum requirement can be satisfied by one person, and shall mean a meeting convened and held in any manner permitted by these Articles, including a general meeting at which some (but not all) those entitled to be present attend and participate by means of electronic facility or facilities, and such persons shall be deemed present for all purposes of the Act and the Articles, and attend / attending / attendance, participate / participating / participation shall be construed accordingly;

**2.5.6** a "person" include references to a body corporate and to an unincorporated body of persons;

**2.5.7** a share (or to a holding of shares) being in uncertificated form or in certificated form are references respectively to that share being an uncertificated unit of a security or a certificated unit of a security; and

**2.5.8** a "cash memorandum account" are to an account so designated by the Operator of the relevant system concerned.

#### **LIABILITY OF MEMBERS LIMITED**

3. The liability of the members of the Company is limited to the amount, if any, unpaid on the shares held by them.

#### **CHANGE OF NAME**

4. The Company may change its name by resolution of the Board.

#### **SHARE CAPITAL**

5. Subject to the provisions of the Statutes and without prejudice to the rights attaching to any existing shares or class of shares, any share may be issued with such preferred, deferred or other special rights or such restrictions as the Company may from time to time by ordinary resolution determine or, if the Company has not so determined, as the Directors may determine.
6. Subject to the provisions of these Articles and to the Statutes, any unissued shares in the capital of the Company (whether forming part of the original or any increased capital) and all (if any) shares in the Company lawfully held by or on behalf of it shall be at the disposal of the Board which may offer, allot (with or without a right of renunciation), issue or grant options over such shares to such persons, at such time and for such consideration and upon such terms and conditions as the Board may determine.
7. The Company may exercise the powers of paying commissions conferred by the Statutes. Subject to the provisions of the Statutes, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.
8. Subject to the provisions of the Statutes and to any rights conferred on the holders of any other shares, shares may be issued which are to be redeemed or are liable to be redeemed at the option of the Company or the holder on such terms and in such manner as the Board may determine.
9. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and (except as otherwise provided by these Articles or by law) the Company shall not be bound by or compelled in any way to recognise any interest in any share, except an absolute right to the entirety thereof in the holder.
10. The Company may give financial assistance for the acquisition of shares in the Company to the extent that it is not restricted by the Statutes.

#### **VARIATION OF RIGHTS**

11. Subject to the provisions of the Statutes, whenever the capital of the Company is divided into different classes of shares, the rights attached to any class may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated, whether or not the Company is being wound up, either with the consent in writing of the holders of not less than three-quarters in nominal amount of the issued shares of the affected class (excluding any shares of that class held as treasury shares), or with the sanction of a special resolution passed at a separate meeting of the holders of shares of that class (but not otherwise).
12. All the provisions of these Articles relating to general meetings shall, mutatis mutandis, apply to every such separate general meeting, except that:
- 12.1 the necessary quorum at any such meeting other than an adjourned meeting shall be two persons holding or representing by proxy at least one-third in nominal amount of the issued shares of the class in question (excluding any shares of that class held as treasury shares) and at an adjourned meeting one person holding shares of the class in question or his proxy;
- 12.2 any holder of shares of the class in question present in person or by proxy may demand a poll; and

- 12.3 the holder of shares of the class in question shall, on a poll, have one vote in respect of every share of such class held by him.
13. Subject to the terms on which any shares may be issued, the rights or privileges attached to any class of shares in the capital of the Company shall be deemed not to be varied or abrogated by the creation or issue of any new shares ranking *pari passu* in all respects (save as to the date from which such new shares shall rank for dividend) with or subsequent to those already issued.
14. The provisions of Articles 11 to 13 shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if such group of shares of the class differently treated formed a separate class.

#### SHARES IN UNCERTIFICATED FORM

- 15.1 The Directors shall have power to implement such arrangements as they may, in their absolute discretion, think fit in order for any class of shares to be a participating security (subject always to the uncertificated securities rules and the facilities and requirements of the relevant system concerned). Where they do so, Articles 15.2 and 15.3 shall come into effect immediately prior to the time at which the Operator of the relevant system concerned permits the class of shares concerned to be a participating security.
- 15.2 In relation to any class of shares which is, for the time being, a participating security, and for so long as such class remains a participating security, no provision of these Articles shall apply or have effect to the extent that it is in any respect inconsistent with:

- 15.2.1 the holding of shares of that class in uncertificated form;
- 15.2.2 the transfer of title to shares of that class by means of a relevant system; or
- 15.2.3 the uncertificated securities rules

and, without prejudice to the generality of this Article, no provision of these Articles shall apply or have effect to the extent that it is in any respect inconsistent with the maintenance, keeping or entering up by the Operator, so long as that is permitted or required by the uncertificated securities rules, of an Operator register of securities in respect of shares of that class in uncertificated form.

- 15.3 Without prejudice to the generality of Article 15.2 and notwithstanding anything contained in these Articles, where any class of shares is, for the time being, a participating security (such class being referred to in these Articles as the "**Relevant Class**"):

- 15.3.1 the register relating to the Relevant Class shall be maintained at all times in the United Kingdom;
- 15.3.2 shares of the Relevant Class may be issued in uncertificated form in accordance with and subject as provided in the uncertificated securities rules;
- 15.3.3 unless the Directors otherwise determine, shares of the Relevant Class held by the same holder or joint holder in certificated form and uncertificated form shall be treated as separate holdings;
- 15.3.4 shares of the Relevant Class may be changed from uncertificated to certificated form, and from certificated to uncertificated form, in accordance with and subject as provided in the uncertificated securities rules;
- 15.3.5 title to shares of the Relevant Class which are recorded on the register as being held in uncertificated form may be transferred by means of the relevant system concerned and accordingly (and in particular) Articles 43, 44 and 46 shall not apply in respect of such shares to the extent that those



Articles require or contemplate the effecting of a transfer by an instrument in writing and the production of a certificate for the share to be transferred;

- 15.3.6 the Company shall comply with the provisions of uncertificated securities rules 25 and 26 in relation to the Relevant Class;
- 15.3.7 the provisions of these Articles with respect to meetings of or including holders of the Relevant Class, including notices of such meetings, shall have effect subject to the provisions of Regulation 41; and
- 15.3.8 Articles 16, 17, 18 and 19 shall not apply so as to require the Company to issue a certificate to any person holding shares of the Relevant Class in uncertificated form.

- 15.4 The Company shall be entitled to assume that the entries on any record of securities maintained by it in accordance with the uncertificated securities rules and regularly reconciled with the relevant Operator register of securities are a complete and accurate reproduction of the particulars entered in the Operator register of securities and shall accordingly not be liable in respect of any act or thing done or omitted to be done by or on behalf of the Company in reliance upon such assumption; in particular, any provision of these Articles which requires or envisages that action will be taken in reliance on information contained in the register shall be construed to permit that action to be taken in reliance on information contained in any relevant record of securities (as so maintained and reconciled).

#### SHARE CERTIFICATES

- 16. Subject to these Articles and the provisions of the uncertificated securities rules every person (except a person in respect of whom the Company is not by law required to complete and have ready for delivery a certificate) whose name is entered as a holder of any share in the register shall be entitled without payment to receive one certificate in respect of each class of shares held by him or, with the consent of the Board and upon payment of such reasonable out-of-pocket expenses for every certificate after the first as the Board shall determine, several certificates, each for one or more of his shares. Shares of different classes may not be included in the same certificate.
- 17. Where a holder of any share (except a recognised person) has transferred a part of the shares comprised in his holding, he shall be entitled to a certificate for the balance without charge.
- 18. Any two or more certificates representing shares of any one class held by any member may at his request be cancelled and a single new certificate for such shares issued in lieu without charge.
- 19. The Company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to the joint holder who is named first in the register shall be a sufficient delivery to all of them.
- 20. In the case of shares held jointly by several persons, any such request mentioned in Article 16, 17 or 18 may only be made by the joint holder who is named first in the register.
- 21. Every certificate shall be executed by the Company in such manner as the Board, having regard to the Statutes and the listing requirements of the competent authority, may authorise. Every certificate shall specify the number, class and distinguishing number (if any) of the shares to which it relates and the amount paid up thereon.
- 22. The Board may by resolution decide, either generally or in any particular case or cases, that any signatures on any certificates for shares or any other form of security at any time issued by the Company need not be autographic but may be applied to the certificates by some mechanical means or may be printed on them or that the certificates need not be signed by any person.

23. If a share certificate is worn out, defaced, lost or destroyed, it may be replaced without charge (other than exceptional out-of-pocket expenses) and otherwise on such terms (if any) as to evidence and/or indemnity (with or without security) as the Board may require. In the case where the certificate is worn out or defaced, it may be renewed only upon delivery of the certificate to the Company.

#### **LIEN**

24. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all money (whether presently due or not) payable in respect of that share. The Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.
25. The Company may sell, in such manner as the Board decides, any shares on which the Company has a lien, if a sum in respect of which the lien exists is presently payable and is not paid within 14 clear days after notice in writing has been served on the holder of the shares in question or the person entitled to such shares by reason of death or bankruptcy of the holder or otherwise by operation of law, demanding payment of the sum presently payable and stating that if the notice is not complied with the shares may be sold.
26. To give effect to any such sale, the Board may authorise such person as it directs to execute any instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the shares shall not be affected by any irregularity in or invalidity of the proceedings relating to the sale, and he shall not be bound to see to the application of the purchase money.
27. The net proceeds of the sale, after payment of the costs of such sale, shall be applied in or towards satisfaction of the liability in respect of which the lien exists so far as the same is presently payable, and any residue shall (upon surrender to the Company for cancellation of the certificate for the shares sold (where applicable) and subject to a like lien for any monies not presently payable or any liability or engagement not likely to be presently fulfilled or discharged as existed upon the shares before the sale) be paid to the holder of (or person entitled by transmission to) the shares immediately before the sale.

#### **CALLS ON SHARES**

28. Subject to the terms of allotment of any shares, the Board may make calls upon the members in respect of any monies unpaid on their shares (whether in respect of the nominal value of the shares or by way of premium) Provided that (subject as aforesaid) no call on any share shall be payable within one month from the date fixed for the payment of the last preceding call and that at least 14 clear days' notice shall be given of every call specifying the time or times, place of payment and the amount called on the members' shares. A call may be revoked in whole or in part or the time fixed for its payment postponed in whole or in part by the Board at any time before receipt by the Company of the sum due thereunder.
29. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be made payable by instalments.
30. The joint holders of a share shall be jointly and severally liable to pay all calls in respect of the share.
31. Each member shall pay to the Company, at the time and place of payment specified in the notice of the call, the amount called on his shares. A person on whom a call is made will remain liable for calls made upon him, notwithstanding the subsequent transfer of the shares in respect of which the call was made.
32. If a sum called in respect of a share shall not be paid before or on the day appointed for payment, the person from whom the sum is due shall pay interest on the sum from the day fixed for payment to the time of actual payment at such rate, not exceeding 15 per cent. per annum, as the Board may decide, together with all expenses that may have been incurred by the Company by reason of such non-payment, but the Board may waive payment of interest and such expenses wholly or in part. No dividend or other payment or distribution in respect of any such share shall be paid or distributed and no other rights which would otherwise normally be exercisable in

accordance with these Articles may be exercised by a holder of any such share so long as any such sum or any interest or expenses payable in accordance with this Article in relation thereto remains due.

33. Any sum which becomes payable by the terms of allotment of a share, whether on allotment or on any other fixed date or as an instalment of a call and whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made, notified and payable on the date on which, by the terms of allotment or in the notice of the call, it becomes payable. In the case of non-payment, all the provisions of these Articles relating to payment of interest and expenses, forfeiture and otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
34. The Board may, if it thinks fit, receive from any member willing to advance it all or any part of the money (whether on account of the nominal value of the shares or by way of premium) uncalled and unpaid upon any shares held by him, and may pay upon all or any part of the money so advanced (until it would but for the advance become presently payable) interest at such rate (if any) not exceeding 15 per cent. per annum, as the Board may decide. No sum paid in advance of calls shall entitle the holder of a share to any portion of a dividend or other payment or distribution subsequently declared in respect of any period prior to the date upon which such sum would, but for such payment, become presently payable.
35. The Board may on the allotment of shares differentiate between the allottees or holders as to the amount of calls to be paid and the times of payment.

#### **FORFEITURE**

36. If a member fails to pay the whole or any part of any call or instalment of a call on the day fixed for payment, the Board may, at any time thereafter during such time as any part of such call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any accrued interest and any costs, charges and expenses incurred by the Company by reason of the non-payment.
37. The notice shall fix a further day (not being less than seven clear days from the date of the notice) on or before which, and the place where, the payment required by the notice is to be made, and shall state that, in the event of non-payment at or before the time and at the place specified, the shares on which the call was made will be liable to be forfeited. The Board may accept the surrender of any share liable to be forfeited upon such terms and conditions as may be agreed and, subject to any such terms and conditions, a surrendered share shall be treated as if it had been forfeited.
38. If the requirements of the notice are not complied with, any share in respect of which the notice has been given may, at any time before the payments required by the notice have been made, be forfeited by a resolution of the Board to that effect. Every forfeiture shall include all dividends and other payments or distributions declared in respect of the forfeited shares and not paid or distributed before forfeiture. Forfeiture shall be deemed to occur at the time of the passing of the said resolution of the Board.
39. Subject to the provisions of the Statutes, a forfeited share shall be deemed to be the property of the Company and may be sold, reallocated or otherwise disposed of upon such terms and in such manner as the Board decides, either to the person who was before the forfeiture the holder or to any other person, and at any time before sale, reallocation or other disposition the forfeiture may be cancelled on such terms as the Board decides. The Company shall not exercise any voting rights in respect of such a share. Where for the purposes of its disposal a forfeited share is to be transferred to any person, the Board may authorise a person to execute an instrument of transfer of the share.
40. When any share has been forfeited, notice of the forfeiture shall be served upon the person who was before forfeiture the holder, or the person entitled to the share by transmission, and an entry of the forfeiture, with the date of the forfeiture, shall be entered in the register, but no forfeiture shall be invalidated by any failure to give such notice or make such entry.

41. A person, any of whose shares have been forfeited, shall cease to be a member in respect of the forfeited shares and shall surrender to the Company for cancellation the certificate for the shares forfeited, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all money which at the date of forfeiture was then payable by him to the Company in respect of the shares, with interest on such money at such rate not exceeding 15 per cent. per annum, as the Board may decide, from the date of forfeiture until payment. The Board may, if it thinks fit, waive the payment of all or part of such money and/or the interest payable thereon.
42. A statutory declaration by a Director or the secretary that a share has been duly forfeited or surrendered on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share. The statutory declaration shall (subject to the execution of an instrument of transfer, if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration (if any) nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture, surrender, sale, allotment or disposal of the share.

#### **TRANSFER OF SHARES**

43. The instrument of transfer of a share may be in any usual form or in any other form which the Board may approve.
44. The instrument of transfer of a share shall be executed by or on behalf of the transferor and (in the case of a partly paid share) by or on behalf of the transferee. The transferor shall be deemed to remain the holder until the name of the transferee is entered in the register.
45. The Board may refuse to register any transfer of shares which are not fully paid. Provided that, where any such shares are admitted to the Official List of the competent authority, such discretion may not be exercised in such a way as to prevent dealings in the shares of that class from taking place on an open and proper basis.
46. The Board may also refuse to register any transfer of shares, unless:
- 46.1 the instrument of transfer is lodged (duly stamped if the Statutes so require) at the office or at such other place as the Board may appoint, accompanied by the certificate for the shares to which it relates and such other evidence (if any) as the Board may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person to do so) Provided that, in the case of a transfer by a recognised person where a certificate has not been issued in respect of the share, the lodgement of share certificates shall not be necessary;
- 46.2 the instrument of transfer is in respect of only one class of share; and
- 46.3 in the case of a transfer to joint holders, they do not exceed four in number.
47. If the Board refuses to register a transfer of shares held in certificated form, it shall as soon as practicable and in any event within two months after the date on which the transfer was lodged with the Company send to the transferee notice of refusal together with its reasons for the refusal.
48. The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the Board refuses to register (except in the case of fraud) shall be returned to the person lodging it when notice of the refusal is given.
49. No fee shall be payable to the Company for the registration of any transfer or any other document relating to or affecting the title to any share or for making any entry in the register affecting the title to any share.
50. Nothing in these Articles shall preclude the Directors from recognising a renunciation of the allotment of any share by the allottee in favour of some other person.

## **TRANSMISSION OF SHARES**

51. If a member dies, the survivor or survivors where he was a joint holder and his personal representatives where he was a sole holder or the only survivor of joint holders shall be the only person(s) recognised by the Company as having any title to his shares, but nothing contained in these Articles shall release the estate of a deceased member from any liability in respect of any share held by him solely or jointly with other persons.
52. Any person becoming entitled to a share in consequence of the death or bankruptcy of a member or by operation of law may, upon such evidence as to his title being produced as may be reasonably required by the Board and subject to these Articles, elect either to be registered as the holder of the share or to have a person nominated by him registered as the holder. If the person elects to become the holder, he shall give notice in writing to that effect. If the person elects to have another person registered, he shall execute an instrument of transfer of the share to that person. All the provisions of these Articles relating to the transfer of shares shall apply to the notice or instrument of transfer as if the death or bankruptcy of the member or other event giving rise to the transmission had not occurred and the notice or instrument of transfer were an instrument of transfer executed by the member.
53. Any person becoming entitled to a share in consequence of the death or bankruptcy of a member or by operation of law shall, subject to the requirements of these Articles and to the provisions of this Article, be entitled to receive, and may give a good discharge for, all dividends and other money payable in respect of the share, but he shall not be entitled to receive notice of or to attend or vote at meetings of the Company or at any separate meetings of the holders of any class of shares or to any of the rights or privileges of a member until he shall have become a holder in respect of the share in question. The Board may at any time give notice requiring any such person to elect either to be registered or to transfer the share, and if the notice is not complied with within 60 days, the Board may withhold payment of all dividends and other distributions and payments declared in respect of the share until the requirements of the notice have been complied with.

## **ALTERATION OF SHARE CAPITAL**

54. Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share, the Board may deal with the fractions as it thinks fit and in particular may, on behalf of those members, sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Statutes, the Company) and distribute the net proceeds of sale (subject to retention by the Company of amounts not exceeding £3, the cost of distribution of which would be disproportionate to the amounts involved) in due proportion among those members, and the Board may authorise a person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings relating to the sale.

## **GENERAL MEETINGS**

55. The Company shall hold annual general meetings which shall be convened by the Board in accordance with the Statutes.
56. The Board may call a general meeting whenever it thinks fit. If there are not within the United Kingdom sufficient Directors to call a general meeting, any Director or, if there is no Director within the United Kingdom, any member of the Company may call a general meeting.
- 56A. General meetings, including annual general meetings, may be held partly (but not wholly) by means of electronic facility or facilities, as may be determined by the Board. Nothing in these Articles authorises or allows a general meeting to be held exclusively on an electronic basis.

## NOTICE OF GENERAL MEETINGS

57. Unless consent to short notice is obtained in accordance with the provisions of the Act, an annual general meeting shall be called by at least 21 clear days' notice. Every other general meeting shall, subject to the provisions of the Act, be called by at least 14 clear days' notice. Subject to the provisions of these Articles, and to any restrictions imposed on any shares, every notice of meeting shall be given to all the members, all other persons who are at the date of the notice entitled to receive notices from the Company and to the Directors and Auditors.
58. The notice of a general meeting shall specify:
- 58.1 the day, time and place of the meeting and if participation by means of electronic facility or facilities pursuant to Article 62D is offered (and the Board shall be under no obligation to offer or provide such facility or facilities, whatever the circumstances), the details of such electronic facility or facilities;
- 58.2 if the meeting is convened to consider a special resolution, the intention to propose the resolution as such; and
- 58.3 with reasonable prominence, that a member entitled to attend and vote is entitled to appoint one or more proxies to exercise all or any of his rights to attend, speak and vote instead of him and that a proxy need not also be a member.
59. In the case of an annual general meeting, the notice shall also specify the meeting as such.
60. Subject to the provisions of these Articles, to the rights attaching to any class of shares and to any restriction imposed on any holder, notice shall be given to all members, the Directors and the auditors.
61. The accidental omission to send a notice of any meeting, or (where forms of proxy are sent out with notices) to send a form of proxy with a notice to any person entitled to receive the same, or the non-receipt of a notice of any meeting or a form of proxy by such a person, shall not invalidate the proceedings at the meeting.

## PROCEEDINGS AT GENERAL MEETINGS

62. No business shall be transacted at any general meeting unless a quorum is present but the absence of a quorum shall not preclude the choice or appointment of a chairman in accordance with these Articles (which shall not be treated as part of the business of the meeting). Subject to Article 63, two members present in person or by representative (in the case of a corporate member) or by proxy and entitled to vote shall be a quorum for all purposes.
- 62A. Unless otherwise specified in the notice of meeting or determined by the chairman of the meeting, a general meeting is deemed to take place at the place where the chairman of the meeting is at the time of the meeting.
- 62B. Two or more persons who may not be in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them and a person is able to participate in a meeting if that person's circumstances are such that if he or she has (or were to have) rights in relation to the meeting, he or she is (or would be) able to exercise them. In determining whether persons are attending or participating in a meeting, other than at a physical place or places, it is immaterial where any of them are or how they are able to communicate with each other.
- 62C. If, at any general meeting at which members are entitled to participate by means of electronic facility or facilities determined by the Board pursuant to Article 62D, any document is required to be on display or to be available for inspection at the meeting (whether prior to or for the duration of the meeting or both), the Company shall ensure that it is available in electronic form to persons entitled to inspect it for at least the required period of time, and this will be deemed to satisfy any such requirement.

- 62D.** The Board may resolve to enable persons entitled to attend and participate in a general meeting to do so partly (but not wholly) by simultaneous attendance and participation by means of electronic facility or facilities, and may determine the means, or all different means, of attendance and participation used in relation to the general meeting. The members present in person or by proxy by means of an electronic facility or facilities (as so determined by the Board) shall be counted in the quorum for, and be entitled to participate in, the general meeting in question. That meeting shall be duly constituted and its proceedings valid if the chairman is satisfied that adequate facilities are available throughout the meeting to ensure that members attending the meeting by all means (including the means of an electronic facility or facilities) are able to:
- (a) participate in the business for which the meeting has been convened,
  - (b) hear all persons who speak at the meeting, and
  - (c) be heard by all other persons attending and participating in the meeting.
- 63.** If within 15 minutes from the time fixed for a meeting a quorum is not present or if during a meeting a quorum ceases to be present, the meeting, if convened on the requisition of members, shall be dissolved and in any other case it shall stand adjourned to such day and to such time and place, subject to the provisions of the Act, and by such means of participation, including partly but not wholly by means of electronic facility or facilities, as may be fixed by the chairman of the meeting. At such adjourned meeting a quorum shall be two members present in person or by representative (in the case of a corporate member) or by proxy and entitled to vote. If within 15 minutes from the time fixed for holding an adjourned meeting a quorum is not present or if during an adjourned meeting a quorum ceases to be present, the adjourned meeting shall be dissolved. The Company shall give at least seven clear days' notice (in any manner in which notice of a meeting may lawfully be given from time to time) of any meeting adjourned through lack of a quorum and such notice shall state the quorum requirement.
- 64.** The chairman of the Board or in his absence the deputy chairman shall preside as chairman at every general meeting of the Company. If there is no such chairman or deputy chairman or if at any meeting neither the chairman nor the deputy chairman is present within 15 minutes from the time fixed for holding the meeting or if neither is willing to act as chairman of the meeting, the Directors present shall choose one of their number, or if no Director is present or if all the Directors present decline to take the chair, the members present and entitled to vote shall choose one of their number to be chairman of the meeting.
- 64A.** If, after the sending of the notice of a general meeting but before the meeting is held, or after the adjournment of a general meeting but before the adjourned meeting is held (whether or not notice of the adjourned meeting is required), the Board, in its absolute discretion, considers that it is impracticable or unreasonable for any reason to hold a general meeting on the date or at the time or place specified in the notice calling the general meeting and/or by means of the electronic facility or facilities specified in the notice, it may postpone the general meeting to another date, time and/or place and/or change the electronic facility or facilities. If such a decision is made, the Board may then change the place of and/or the electronic facility or facilities and/or postpone the date and/or time again if it considers that it is reasonable to do so. No new notice of the general meeting need be sent but the Board shall take reasonable steps to ensure that notice of the change of date, time, place of and/or electronic facility or facilities for the postponed meeting appear at the original time and at the original place and/or on the original electronic facility or facilities. When a general meeting is so postponed, notice of the date, time and place, including any electronic facility if applicable, of the postponed meeting shall be given in such manner as the Board may, in its absolute discretion, determine. No business shall be transacted at any postponed meeting other than business which might properly have been transacted at the meeting had it not been postponed. Notice of the business to be transacted at such postponed meeting shall not be required. If a general meeting is postponed in accordance with this Article 64A, the appointment of a proxy will be valid if it is delivered and received as required by these Articles not less than 48 hours before the time appointed for holding the postponed meeting. When calculating the 48 hour period mentioned in this Article, the Directors can decide not to take account of any part of a day that is not a working day.

65. The Board may implement at general meetings of the Company, such security arrangements as it shall think appropriate to which members, representatives (in the case of corporate members) and their proxies shall be subject. The Board shall be entitled to refuse entry to the meeting to any such member, representative or proxy who fails to comply with such security arrangements. If a general meeting is held partly by means of an electronic facility or facilities pursuant to Article 62D, the Board and the chair may make any arrangement and impose any requirement or restriction that is necessary to ensure the identification of those taking part by means of such electronic facility or facilities and the security of the electronic communication. In this respect, the Board may authorise any voting application, system or facility for attendance and participation as it sees fit.
66. The chairman of each general meeting of the Company may take such action as he considers appropriate to permit the orderly conduct of the business of the meeting as set out in the notice of the meeting, including refusing physical or electronic entry to, or eject (physically or electronically) from the meeting.
67. The chairman of a meeting at which a quorum is present may, without prejudice to any other power of adjournment which he may have under these Articles or at common law, with the consent of the meeting (and shall if so directed by the meeting), adjourn the meeting from time to time (or indefinitely) and from place to place and/or from such electronic facility or facilities for attendance and participation to such other electronic facility or facilities. The provisions of the Article relating to adjournment of general meetings shall apply to that adjournment. No business shall be transacted at any adjourned meeting except business left unfinished at the meeting from which the adjournment took place. Where a meeting is adjourned for an indefinite period, the time and place for the adjourned meeting shall be fixed by the Board. Whenever a meeting is adjourned for 14 days or more or for an indefinite period, at least seven clear days' notice, specifying the place, the day and the time of the adjourned meeting (and, if applicable, the electronic facility or facilities for attendance) and the general nature of the business to be transacted, shall be given (in any manner in which notice of a meeting may lawfully be given from time to time). Save as provided in these Articles, it shall not otherwise be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- 67A. If, in the sole discretion of the chairman of the meeting, an electronic facility becomes inadequate during a meeting, then the chair may, without having to seek the consent of the meeting, adjourn the general meeting in accordance with these Articles and/or common law. All business conducted at the meeting up to the time of adjournment shall be valid.
68. If it appears to the chairman that the meeting place specified in the notice convening the meeting is inadequate to accommodate all members entitled and wishing to attend, the meeting shall nevertheless be duly constituted and its proceedings valid Provided that the chairman is satisfied that adequate facilities are available to ensure that any member who is unable to be accommodated is nonetheless able to participate in the business for which the meeting has been convened and to hear and see all persons present who speak (whether by the use of microphones, loudspeakers, audiovisual communication equipment or otherwise), whether in the meeting place or elsewhere, and to be heard and seen by all other persons so present in the same manner.
69. A resolution put to the vote at a general meeting held partly by means of electronic facility or facilities shall be decided on a poll, which poll votes may be cast by such electronic means as the Board, in its sole discretion, deems appropriate for the purposes of the meeting. Any such poll shall be deemed to have been validly demanded at the time fixed for the holding of the meeting to which it relates. At any other general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless, before or on the declaration of the result of the show of hands or on the withdrawal of any other due demand for a poll, a poll is duly demanded. A poll may be demanded:
- 69.1 by the chairman of the meeting; or
- 69.2 by at least five members present in person or by proxy and entitled to vote on the resolution; or



- 69.3 by any member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote on the resolution (excluding any voting rights attached to any shares held as treasury shares); or
- 69.4 by a member or members present in person or by proxy holding shares in the Company conferring a right to vote on the resolution, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right (excluding shares held as treasury shares).
70. Unless a poll is so demanded, a declaration by the chairman of the meeting that a resolution has on a show of hands been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against such resolution.
71. If a poll is duly demanded, it shall be taken in such manner as the chairman of the meeting may direct. The chairman may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
72. A poll demanded on the election of the chairman of a meeting or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place as the chairman of the meeting directs (including by means of such electronic facility or facilities), but in any case not more than 28 days after the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with pending the completion of the poll. The demand for a poll may be withdrawn at any time before the poll is taken. If a poll is demanded before the declaration of the result of a show of hands and the demand is subsequently duly withdrawn, the meeting shall continue as if the demand had not been made. No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case, at least seven clear days' notice shall be given (in any manner in which notice of a meeting may lawfully be given from time to time) specifying the time and place at which the poll is to be taken.
73. All the provisions of these Articles relating to general meetings shall, mutatis mutandis, apply to every separate meeting of the holders of any class of shares in the Company, except as provided in Article 11 when the provisions of Article 12 shall apply.
74. A Director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the Company.

#### **VOTES OF MEMBERS**

75. Subject to any terms as to voting upon which any shares may be issued or may for the time being be held and to the provisions of these Articles, every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative, not being himself a member entitled to vote and every proxy present who has been duly appointed by a member entitled to vote on the resolution, shall have one vote on a show of hands, and on a poll every member present in person or by representative (in the case of a corporate member) or by proxy shall have one vote for each share of which he is the holder. On a poll, a member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.
- 75.1 Subject to any rights or restrictions attached to shares, on a vote on a resolution on a show of hands at a meeting, a proxy has one vote for and one vote against the resolution if:
- 75.1.1 the proxy has been duly appointed by more than one member entitled to vote on the resolution; and
- 75.1.2 the proxy has been instructed by one or more of those members to vote for the resolution and by one or more other of those members to vote against it.

76. In the case of joint holders of a share the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register in respect of the joint holding.
77. A member in respect of whom an order has been made by any court or official having jurisdiction (whether in the United Kingdom or elsewhere) that he is or may be suffering from mental disorder or is otherwise incapable of running his affairs may vote, whether on a show of hands or on a poll, by his guardian, receiver, curator bonis or other person authorised for that purpose and appointed by the court, and any such guardian, receiver, curator bonis or other person may vote by proxy provided that evidence to the satisfaction of the Board of the authority of the person claiming to exercise the right to vote is received by the Company, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised, and in default the right to vote shall not be exercisable.
78. No member shall, unless the Board otherwise determines, be entitled to vote at any general meeting or at any separate general meeting of the holders of any class of shares in the Company unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
79. Where, in respect of any shares of the Company, any holder or any other person appearing to be interested in such shares held by a member has been issued with a notice pursuant to section 793 of the Act (a "**statutory notice**") and has failed in relation to any shares (the "**default shares**") to comply with the statutory notice and to give the Company the information required by such notice within the prescribed period from the date of the statutory notice, then the Board may serve on the holder of such default shares a notice (a "**disenfranchisement notice**") whereupon the following sanctions shall apply:
- 79.1 such holder shall not with effect from the service of the disenfranchisement notice be entitled in respect of the default shares to be present or to vote (either in person or by representative or by proxy) either at any general meeting or at any separate general meeting of the holders of any class of shares or on any poll or to exercise any other right conferred by membership in relation to any such meeting or poll; and
- 79.2 where such shares represent not less than 0.25 per cent. in nominal value of the issued shares of their class (excluding any shares of that class held as treasury shares):
- 79.2.1 any dividend or other monies payable in respect of the default shares shall be withheld by the Company which shall not be under any obligation to pay interest on it and the holder shall not be entitled under Article 174 to elect to receive shares instead of that dividend; and
- 79.2.2 no transfer, other than an excepted transfer (as defined in Article 84.5), of any shares in certificated form held by the holder shall be registered unless:
- (a) the holder is not himself in default as regards supplying the information required; and
- (b) the holder proves to the satisfaction of the Board that no person in default as regards supplying such information is interested in any of the shares the subject of the transfer
- (and, for the purpose of ensuring this Article 79.2.2 can apply to all shares held by the holder, the Company may, in accordance with the uncertificated securities rules, issue a written notification to the Operator requiring the conversion into certificated form of any shares held by the holder in uncertificated form).
80. Any new shares in the Company issued in respect of default shares shall be subject to the same sanctions as apply to the default shares Provided that any sanctions applying to, or to a right to, new shares by virtue of this Article shall cease to have effect when the sanctions applying to the related default shares cease to have effect (and shall be suspended or cancelled if and to the extent that the sanctions applying to the related default shares

are suspended or cancelled) and Provided further that Article 79 shall apply to the exclusion of this Article if the Company gives a separate notice under section 793 of the Act in relation to the new shares.

81. The Company may at any time withdraw a disenfranchisement notice by serving on the holder of the default shares a notice in writing to that effect (a "**withdrawal notice**"), and a disenfranchisement notice shall be deemed to have been withdrawn at the end of the period of seven days (or such shorter period as the Directors may determine) following receipt by the Company of the information required by the statutory notice in respect of all the shares to which the disenfranchisement notice related.
82. Unless and until a withdrawal notice is duly served in relation thereto or a disenfranchisement notice in relation thereto is deemed to have been withdrawn or the shares to which a disenfranchisement notice relates are transferred by means of an excepted transfer, the sanctions referred to in Articles 79 and 80 shall continue to apply.
83. Where, on the basis of information obtained from a holder in respect of any share held by him, the Company issues a notice pursuant to section 793 of the Act to any other person and such person fails to give the Company the information thereby required within the prescribed period and the Board serves a disenfranchisement notice upon such person, it shall at the same time send a copy of the disenfranchisement notice to the holder of such share, but the accidental omission to do so, or the non-receipt by the holder of the copy, shall not invalidate or otherwise affect the application of Articles 79 and 80.
84. For the purposes of these Articles:
- 84.1 a person other than the holder of a share shall be treated as appearing to be interested in that share if the holder has informed the Company that the person is or may be so interested or if (after taking into account the said notification and any other relevant notification pursuant to section 793 of the Act ) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the share;
- 84.2 "**interested**" shall be construed as it is for the purpose of section 793 of the Act;
- 84.3 reference to a person having failed to give the Company the information required by a notice, or being in default as regards supplying such information, includes:
- 84.3.1 reference to his having failed or refused to give all or any part of it; and
- 84.3.2 reference to his having given information which he knows to be false in a material particular or having recklessly given information which is false in a material particular;
- 84.4 the "**prescribed period**" means:
- 84.4.1 in a case where the default shares represent at least 0.25 per cent. of their class, 14 days; and
- 84.4.2 in any other case, 28 days; and
- 84.5 an "**excepted transfer**" means, in relation to any share held by a holder:
- 84.5.1 a transfer pursuant to acceptance of an offer made to all the holders (or all the holders other than the person making the offer and his nominees) of the shares in the Company to acquire those shares or a specified proportion of them, or to all the holders (or all the holders other than the person making the offer and his nominees) of a particular class of those shares to acquire the shares of that class or a specified proportion of them; or
- 84.5.2 a transfer in consequence of a sale made through a recognised investment exchange (as defined in the FSMA) or any other stock exchange outside the United Kingdom on which the Company's shares are normally traded; or

- 84.5.3** a transfer which is shown to the satisfaction of the Board to be made in consequence of a bona fide sale of the whole of the beneficial interest in the share to a person who is unconnected with the holder and with any other person appearing to be interested in the share.
- 85.** Nothing contained in these Articles shall prejudice or affect the right of the Company to apply to the court for an order under section 794 of the Act and in connection with such an application or intended application or otherwise to require information on shorter notice than the prescribed period.
- 86.** If any objection shall be raised as to the qualification of any voter or if any votes have been counted which should not have been counted or it shall be alleged that any votes have not been counted which ought to have been counted, the objection or allegation shall not vitiate the decision on any resolution unless the same is raised or pointed out at the meeting or adjourned meeting at which the vote objected to is given or tendered or at which the alleged error occurs. Any objection or allegation made in due time shall be referred to the chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the chairman decides that the objection or allegation is justified and that the decision of the meeting may have been affected. The decision of the chairman shall be final and conclusive.
- 87.** If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution proposed as a special resolution, no amendment to it (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.
- 88.1** The appointment of a proxy (whether made by instrument in writing, in electronic form or by website communication) shall be in any usual form or in such other form as the Board may approve. Invitations to appoint a proxy shall be sent or made available by the Company to all persons entitled to notice of and to attend and vote at any meeting, and shall provide for voting both for and against all resolutions to be proposed at that meeting other than resolutions relating to the procedure of the meeting. The accidental omission to send or make available an invitation to appoint a proxy or the non-receipt thereof by any member entitled to attend and vote at a meeting shall not invalidate the proceedings at that meeting. The appointment of a proxy shall be deemed to confer authority to demand, or concur in demanding, a poll, to speak at a general meeting and to vote on any resolution or amendment of a resolution put to the meeting for which it is given or any procedural resolution, as the proxy thinks fit. A proxy need not be a member of the Company.
- 88.2** The appointment of a proxy shall, if made by instrument in writing, be executed by or on behalf of the appointor. A body corporate may execute an instrument of proxy either under seal or under the hand of two directors or a director and the secretary or other duly authorised officer. A member may appoint more than one proxy to attend on the same occasion, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by such member. Where a member appoints more than one proxy, each such appointment shall specify the number of shares in respect of which each proxy is entitled to exercise the related votes and the member shall ensure that no proxy is appointed to exercise the votes which any other proxy has been appointed by that member to exercise.
- 88.3** If the Directors from time to time so permit, a proxy may be appointed by electronic communication to such address as may be notified by or on behalf of the Company for that purpose, or by any other lawful means from time to time authorised by the Directors. Any means of appointing a proxy which is authorised by or under this Article shall be subject to any terms, limitations, conditions or restrictions that the Directors may from time to time prescribe. Without limiting the foregoing, in relation to any shares which are held in uncertificated form, the Directors may from time to time permit appointments of a proxy to be made by means of an electronic communication in the form of an Uncertificated Proxy Instruction, and received by such participant in the relevant system concerned acting on behalf of the Company as the Directors may prescribe, in such form and subject to such terms and conditions as may from time to time be prescribed by the Directors (subject always to the facilities and requirements of the relevant system concerned), and may in a similar manner permit supplements to, or amendments or revocations of, any such Uncertificated Proxy Instruction to be made by like means. The Directors may in addition prescribe the method of determining the time at which any such properly

authenticated dematerialised instruction (and/or other instruction or notification) is to be treated as received by the Company or such participant. The Directors may treat any such Uncertificated Proxy Instruction which purports to be or is expressed to be sent on behalf of a holder of a share as sufficient evidence of the authority of the person sending that instruction to send it on behalf of that holder.

89. Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the Company or of any class of members of the Company, and (except as otherwise provided in these Articles) the provisions of the Statutes shall apply to determine the powers that may be exercised at any such meeting by any person or persons so authorised. A certified copy of such a resolution shall be deposited at the office not less than 48 hours before the time appointed for holding the meeting or first meeting at which the person so authorised is to act or, in the case of a poll taken subsequently at the meeting or first meeting, not less than 24 hours before the time appointed, for the taking of the poll, and unless such certified copy of such resolution is so deposited the authority granted by such resolution shall not be treated as valid. Where certified copies of two or more valid but differing resolutions authorising any person or persons to act as the representative of any corporation pursuant to this Article at the same meeting in respect of the same share are deposited at the office, the resolution, a certified copy of which is deposited with the Company (in accordance with the provisions of this Article) last in time (regardless of the date of such certified copy or of the date upon which the resolution set out therein was passed), shall be treated as revoking and replacing all other such authorities as regards that share, but if the Company is unable to determine which of any such two or more valid but differing resolutions was so deposited last in time, none of them shall be treated as valid in respect of that share. The authority granted by any such resolution shall, unless the contrary is stated in the certified copy thereof deposited with the Company pursuant to this Article, be treated as valid for any adjournment of any meeting at which such authority may be used as well as at such meeting. A corporation which is a member of the Company may authorise more than one person to act as its representative pursuant to this Article in respect of any meeting or meetings, and such a member who holds different classes of shares may so authorise one or more different persons for each class of shares held.

- 90.1 The appointment of proxy and the power of attorney or other written authority (if any) under which it is signed, or a copy of any such power or written authority certified notarially or in any other manner approved by the Directors, shall:

- 90.1.1 in the case of an appointment otherwise than by electronic communication, be deposited at the office (or at such other place as shall be specified in the notice of meeting or in any instrument of proxy or other document accompanying the same); and
- 90.1.2 in the case of an appointment by electronic communication where an address has been specified for the purpose of receiving appointments by electronic communication (i) in the notice convening the meeting, (ii) in any instrument of proxy sent out by the Company in relation to the meeting or (iii) in any invitation contained in an electronic communication to appoint a proxy issued by the Company in relation to the meeting, be received at such address,

not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote or in the case of a poll taken more than 48 hours after it was demanded, not less than 24 hours before the time appointed for taking the poll, and (save as otherwise provided in this Article) unless so deposited or received the appointment of proxy shall not be treated as valid. Where a poll is not taken forthwith but is taken less than 48 hours after it was demanded, the appointment of proxy together with any other documents required to be deposited or received pursuant to this Article 90.1 shall nevertheless be deemed to have been duly deposited if:

- (a) in the case of an appointment otherwise than by electronic communication, they are delivered at the meeting at which the poll was demanded to the chairman or the secretary or to any Director; or

- (b) in the case of an appointment by electronic communication, they are received at the address notified by the Company for such purposes,

in each case, at any time prior to the commencement of such meeting and, if so delivered or received, the instrument of proxy shall be treated as valid. The board may in its discretion determine that in calculating the periods of time referred to in this Article 90.1, no account shall be taken of any part of a day which is not a working day.

- 90.2 The deposit, delivery or receipt of an appointment of proxy shall not preclude a member from attending and voting at the meeting or at any adjourned meeting. When two or more valid but differing appointments of proxy are deposited, delivered or received in respect of the same share for use at the same meeting, the one which is deposited with, delivered to or received by the Company (in accordance with the provisions of this Article) last in time (regardless of the date of its making or transmission) shall be treated as revoking and replacing any others as regards that share, but if the Company is unable to determine which of any such two or more valid but differing instruments of proxy was so deposited, delivered or received last in time, none of them shall be treated as valid in respect of that share.
- 90.3 No appointment of proxy shall be valid after the expiration of 12 months from the date stated in it as the date of its making or transmission. The appointment of proxy shall, unless the contrary is stated, be valid as well for any adjournment of the meeting as for the meeting to which it relates.
91. A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid, notwithstanding the previous determination of the authority of the person voting or demanding a poll, unless notice of the determination shall have been received by the Company at the office (or other place at which the appointment of proxy was duly deposited, delivered or received in accordance with Article 90) before the commencement of the meeting or adjourned meeting at which the appointment of proxy is used, or, in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting, at the time appointed for taking the poll. The board may in its direction determine that in calculating the periods of time referred to in this Article 91, no account shall be taken of any part of a day which is not a working day.

#### **POWERS OF THE BOARD**

92. Subject to the provisions of the Statutes, the Memorandum of Association of the Company, these Articles and any directions given by special resolution, the business of the Company shall be managed by the Board which may exercise all the powers of the Company. No alteration of the Memorandum of Association of the Company or of these Articles and no directions given by special resolution shall invalidate any prior act of the Board which would have been valid if such alteration had not been made or such direction had not been given. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board by any other Article.
93. The Board may from time to time make such arrangements as it thinks fit for the management and transaction of the Company's affairs in the United Kingdom or elsewhere and may for that purpose appoint local boards, managers, inspectors and agents and delegate to them any of the powers, authorities and discretions vested in the Board (other than the power to borrow and make calls) with power to sub-delegate and may authorise the members of any local board or any of them to fill any vacancies therein and to act notwithstanding such vacancies. Any such appointment or delegation may be made upon such terms and subject to such conditions as the Board thinks fit. The Board may at any time remove any person so appointed and may vary or annul such delegation, but no person dealing in good faith and without notice of such removal, variation or annulment shall be affected by it.
94. The Board may from time to time by power of attorney appoint any company, firm or person, or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Articles) and for such period and subject to such conditions as it may think

fit. Any such power of attorney may contain such provisions for the protection or convenience of persons dealing with any such attorney as the Board may think fit and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him. The Board may revoke or vary any such appointment, but no person dealing in good faith and without notice of such revocation or variation shall be affected by it.

95. The Board may delegate any of its powers to any committee consisting of one or more Directors. It may also delegate to any managing Director or any Director holding any other executive office or any other Director such of its powers as it considers desirable to be exercised by him. Any such delegation may be made subject to any conditions the Board may impose and either collaterally with or to the exclusion of its own powers and may be revoked or altered, but no person dealing in good faith and without notice of such revocation or variation shall be affected by it. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by these Articles regulating the proceedings of the Board so far as they are capable of applying. If any such committee determines to co-opt persons other than Directors onto such committee, the number of such co-opted persons shall be less than one-half of the total number of members of the committee and no resolution of the committee shall be effective unless a majority of the members of the committee present at the meeting concerned are Directors.

#### **BORROWING POWERS**

96. Subject as provided in these Articles, the Board may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and assets (present and future) and uncalled capital and, subject to the Statutes, to issue debentures and other securities, whether outright or as collateral security, for any debt, liability or obligation of the Company or of any third party.
97. The Board shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary undertakings (if any) so as to secure (as regards subsidiary undertakings so far as by such exercise the Board can secure) that the aggregate amount for the time being outstanding of all borrowings by the group (excluding money owed by any member of the group to any other member of the group) shall not, without the previous sanction of an ordinary resolution of the Company, exceed an amount equal to the higher of (i) £150,000,000; or (ii) 10 times the adjusted capital and reserves. For the purpose of the above restriction, the "adjusted capital and reserves" means the aggregate from time to time of:
- 97.1 the amount paid up on the issued share capital of the Company (including any shares held as treasury shares); and
- 97.2 the amount standing to the credit of the capital and revenue reserves of the Company (or, if the Company has subsidiary undertakings, the consolidated capital and revenue reserves of the group) including any share premium account, capital redemption reserve, revaluation reserve, merger reserve and credit balance on profit and loss account,
- all as shown in the latest audited balance sheet of the Company or (as the case may be) the latest audited consolidated balance sheet of the group:
- 97.3 after making appropriate adjustment for any variation in the amount paid up or credited as paid up on the issued share capital of the Company and in the share premium account, capital redemption reserve, revaluation reserve or merger reserve since the date of such balance sheet and so that, for the purpose of making such adjustments, if any issue or proposed issue of shares by the Company for cash has been underwritten, then such shares shall be deemed to have been issued and the amount (including any premium) of the subscription monies payable in respect thereof (not being monies payable later than six months after the date of allotment) shall, as to monies to the extent so underwritten, be deemed to have been paid up on the date when the issue of such shares was underwritten (or, if such underwriting was conditional, on the date when it became unconditional);

- 97.4 after making appropriate adjustment for any distribution from such reserves (otherwise than to the Company or to a subsidiary undertaking) not provided for therein;
- 97.5 after excluding any sums set aside for future taxation (including deferred tax);
- 97.6 after deducting any debit balance on profit and loss account as shown in such balance sheet;
- 97.7 after making appropriate adjustment for any company which has become or ceased to be a subsidiary undertaking since the date of such balance sheet and any variation in the interests of the Company in its subsidiary undertakings since the date of such balance sheet;
- 97.8 after making appropriate adjustment for any sums attributable to outside interests in any subsidiary undertaking; and
- 97.9 where the calculation is required for the purposes of or in connection with a transaction under or in connection with which any company is to become or cease to be a subsidiary undertaking, after making such adjustments as would be appropriate if such transaction had been carried into effect.
- 98. For the purpose of Article 97 "**borrowings**" shall be deemed to include not only borrowings but also the following except insofar as otherwise taken into account:
  - 98.1 the nominal amount of any issued share capital and the principal amount of any debentures or borrowed money (together with any fixed or minimum premium payable on redemption or repayment) of any body, whether corporate or unincorporate, the redemption or repayment of which is the subject of a guarantee or indemnity by a member of the group but excluding any shares or indebtedness the beneficial interest in which is for the time being owned by a member of the group;
  - 98.2 the outstanding amount raised by acceptances by any bank or accepting house under any acceptance credit opened on behalf of and in favour of any member of the group;
  - 98.3 the principal amount of any debenture (whether secured or unsecured) of a member of the group owned otherwise than by a member of the group;
  - 98.4 the principal amount of any preference share capital of any subsidiary undertaking owned otherwise than by a member of the group;
  - 98.5 any fixed or minimum premium payable on final redemption or repayment of any borrowing or deemed borrowing; and
  - 98.6 the amounts which would be shown as outstanding in respect of any hire purchase commitments or finance lease obligations in an audited consolidated balance sheet for the group, if such a balance sheet had been prepared, in accordance with generally accepted accounting principles,

but shall be deemed not to include:

  - 98.7 borrowings incurred by any member of the group for the purpose of repaying the whole or any part of any borrowings by a member of the group for the time being outstanding within six months of being so borrowed, pending their application for that purpose within that period;
  - 98.8 borrowings incurred by any member of the group for the purpose of financing any contract in respect of which any part of the price receivable by a member of the group is guaranteed or insured by the Export Credits Guarantee Department of the Department of Trade and Industry or by any other governmental department fulfilling a similar function, up to an amount not exceeding that part of the price receivable under the contract which is so guaranteed or insured; and



- 98.9 amounts borrowed or raised which are for the time being deposited with HM Revenue & Customs or any other body designated by any relevant legislation or order in connection with import deposits or any similar government scheme to the extent that a member of the group retains its interest therein.
99. When the aggregate amount of borrowings required to be taken into account for the purposes of these Articles on any particular day is being ascertained, any money denominated or repayable (or repayable at the option of any person other than any member of the group) in a currency other than sterling shall, if not subject to a contract or arrangement determining the rate of exchange, be converted for the purpose of calculating the sterling equivalent at the rate of exchange prevailing in London at the close of business on the last business day before that day or, if it would result in a lower sterling equivalent, at the rate of exchange prevailing in London six months before such day (and for this purpose the rate of exchange shall be taken as the middle market rate as at the close of business on the day in question or, if that is not a business day, on the last business day before the day in question).
100. Subject to the provisions of the Statutes, the Board may from time to time change the accounting conventions on which the audited balance sheet or audited consolidated balance sheet is prepared.
101. A certificate or report by the auditors as to the amount of the adjusted capital and reserves or the amount of any borrowings or to the effect that the limit imposed by these Articles has not been or will not be exceeded at any particular time or times shall be conclusive evidence of the amount or of that fact. For the purposes of their computation, the auditors may at their discretion make such further or other adjustments (if any) as they think fit. Nevertheless, for the purposes of these Articles the Board may act in reliance on a bona fide estimate of the amount of the adjusted capital and reserves at any time, and, if in consequence such limit is inadvertently exceeded, an amount of monies borrowed equal to the excess may be disregarded until the expiration of 60 days after the day on which (by reason of a determination of the auditors or otherwise) the Board becomes aware that such a situation has or may have arisen.
102. Notwithstanding the foregoing, no lender or other person dealing with the Company shall be concerned to see or inquire whether the limit imposed by Articles 97 to 101 is observed and no borrowing incurred or security given in excess of such limit shall be invalid or ineffectual except in the case of express notice to the lender or the recipient of the security at the time when the borrowing was incurred or security given that the limit had been or was thereby exceeded.

#### **NUMBER AND QUALIFICATION OF DIRECTORS**

103. Unless and until otherwise determined by ordinary resolution of the Company, the Directors (other than alternate Directors) shall be not less than 5 and there shall be no maximum number of Directors.
104. A Director shall not be required to hold any shares of the Company by way of qualification.
105. If the number of Directors is reduced below the minimum number fixed in accordance with these Articles, the Directors for the time being may act for the purpose of filling up vacancies in their number or of calling a general meeting of the Company, but not for any other purpose. If there are no Directors able or willing to act, then any two members may summon a general meeting for the purpose of appointing Directors.
106. No person other than a Director retiring (or, if appointed by the Board, vacating office) at the meeting shall, unless recommended by the Board, be eligible for election to the office of a Director at any general meeting, unless not less than seven nor more than 42 days before the day fixed for the meeting there shall have been left at the office addressed to the secretary notice in writing by a member entitled to be present and vote at the meeting for which such notice is given of his intention to propose such person for election, and also notice in writing signed by the person to be proposed of his willingness to be elected. The notice from the member shall give the particulars in respect of that person which would (if he were elected) be required to be included in the Company's register of Directors.

#### **ELECTION, APPOINTMENT AND RETIREMENT BY ROTATION**

107. Subject to the provisions of Articles 103 to 106 and without prejudice to the power of the Board under Article 105, the Company may by ordinary resolution elect a person who is willing to act to be a Director either to fill a vacancy or as an additional Director; but so that the total number of Directors shall not at any time exceed the maximum number fixed by these Articles.
108. A resolution for the election of two or more persons as Directors by a single resolution shall not be moved at any general meeting unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it; and any resolution moved in contravention of this provision shall be void. For the purposes of this Article, a motion for approving a person's appointment or for nominating him for appointment shall be treated as a motion for his appointment.
109. The Board shall have power to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors shall not at any time exceed the maximum number fixed by these Articles. Any Director so appointed shall hold office only until the next following annual general meeting, and shall then be eligible for election, and unless so elected shall vacate office at the conclusion of such meeting.
- 110.1 Each Director shall retire from office at the third annual general meeting after the annual general meeting or general meeting (as the case may be) at which he was previously elected.
- 110.2 Any non-executive Director (being a Director not holding an office referred to in Articles 119 and 120) who, at the date of the annual general meeting, has held office for nine years or more (whether or not he held an office referred to in Articles 119 and 120 for part of that period) shall be subject to re-election at each annual general meeting.
111. A retiring Director shall be eligible for re-election. If he is not re-elected or deemed to be re-elected, he shall hold office until the meeting elects someone in his place or, if it does not do so, until the end of the meeting.
112. If the Company at the meeting at which a Director retires by rotation does not fill the vacancy, the retiring Director shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the Director is put to the meeting and lost.

#### **RESIGNATION AND REMOVAL OF DIRECTORS**

113. A Director may resign his office by notice in writing submitted to the Board.
114. Subject to the provision of the Act, the Company may, by ordinary resolution remove any Director before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director. Such removal shall be without prejudice to any claim which such Director may have for damages for breach of any contract of service between him and the Company.

#### **DISQUALIFICATION OF DIRECTORS**

115. Without prejudice to the other provisions of these Articles, the office of a Director shall be vacated if the Director:
- 115.1 becomes bankrupt or the subject of an interim receiving order or makes any arrangement or composition with his creditors generally or applies to the court for an interim order under section 253 of the Insolvency Act 1986 (as amended) in connection with a voluntary arrangement under that Act; or
- 115.2 he is being treated by a registered medical practitioner who gives a written opinion to the Company stating that he has become physically or mentally incapable of acting as a director and may remain so for more than three months; or

- 115.3 by reason of his mental health, that person is the subject of a court order which wholly or partly prevents him from personally exercising any powers or rights which he would otherwise have; or
- 115.4 is absent from meetings of the Board for six consecutive months or, if during a shorter period, for six consecutive board meetings without permission of the Board and the Board resolves that his office be vacated; or
- 115.5 ceases to be a Director by virtue of any provision of the Statutes or becomes prohibited by law from being a Director; or
- 115.6 receives written notice signed by not less than three-quarters of the other Directors removing him from office without prejudice to any claim which such Director may have for damages for breach of any contract of service or letter of appointment between him and the Company; or
- 115.7 in the case of a Director who holds any executive office, ceases to hold such office (whether because his appointment is terminated or expires) and the majority of the other Directors resolve that his office be vacated.
116. A resolution of the Board declaring a Director to have vacated office under the terms of Article 115 shall be conclusive as to the fact and grounds of vacation stated in the resolution.

#### **REMUNERATION OF DIRECTORS**

117. The Directors (other than alternate Directors) shall be paid such remuneration (by way of fee) for their services as may be determined by the Board save that, unless otherwise approved by ordinary resolution of the Company in general meeting, the aggregate of the remuneration (by way of fee) of all the Directors shall not exceed £750,000 per annum. Such remuneration shall be deemed to accrue from day to day, shall be divided between the Directors as they shall agree or, failing agreement, equally and shall be distinct from and additional to any remuneration or other benefits which may be paid or provided to any Director pursuant to any other provision of these Articles. The Directors shall also be entitled to be repaid all travelling, hotel and other expenses of attending Board meetings, committee meetings, general meetings, or otherwise incurred while engaged on the business of the Company.
118. Any Director who by request of the Board performs special services or goes or resides abroad for any purposes of the Company may be paid such extra remuneration by way of salary, commission, percentage of profits or otherwise as the Board may decide.

#### **CHIEF EXECUTIVE, MANAGING AND EXECUTIVE DIRECTORS**

119. The Board may from time to time:
- 119.1 appoint one or more of its body to the office of chief executive, joint chief executive, managing Director or joint managing Director, or to any other office (except that of auditor) or employment in the Company, for such period (subject to the Statutes and these Articles) and on such terms as it thinks fit, and may revoke such appointment (but so that such revocation shall be without prejudice to any rights or claims which the person whose appointment is revoked may have against the Company by reason of such revocation); and
- 119.2 permit any person elected or appointed to be a Director to continue in any other office or employment held by that person before he was so elected or appointed.
120. A Director (other than a chief executive, joint chief executive, managing Director or joint managing Director) holding any such other office or employment with a member of the group is referred to in these Articles as an "executive Director".
121. A Director appointed to the office of chief executive, joint chief executive, managing Director or joint managing Director shall (subject to the provisions of any contract between him and the Company) be subject to the same provisions as to resignation and removal as the other Directors, and if he ceases from any cause to be a Director

he shall cease to be a chief executive, joint chief executive, managing Director or joint managing Director (but without prejudice to any rights or claims which he may have against the Company by reason of such cessation).

122. An executive Director shall not be exempt from retirement by rotation, and shall not cease to be a Director if he ceases from any cause to hold the office or employment by virtue of which he is termed an executive Director.
123. The remuneration of any chief executive, joint chief executive, managing Director, joint managing Director or executive Director (whether by way of salary, commission, participation in profits or otherwise) shall be decided by the Board and may be either in addition to or in lieu of any remuneration as a Director.
124. The Board may entrust to and confer upon a chief executive, joint chief executive, managing Director, joint managing Director or executive Director any of the powers, authorities and discretions vested in or exercisable by it upon such terms and conditions and with such restrictions as it thinks fit and, in the case of a chief executive, joint chief executive, managing Director or joint managing Director of the Company, either collaterally with or to the exclusion of its own powers, authorities and discretions and may from time to time revoke or vary all or any of them, but no person dealing in good faith and without notice of the revocation or variation shall be affected by it.

#### **ASSOCIATE AND OTHER DIRECTORS**

125. The Directors may from time to time, and at any time, pursuant to this Article appoint any other persons to any post with such descriptive title including that of Director (whether as associate, executive, group, divisional, departmental, deputy, assistant, local or advisory director or otherwise) as the Directors may determine and may define, limit, vary and restrict the powers, authorities and discretions of persons so appointed and may fix and determine their remuneration and duties and, subject to any contract between him and the Company, may remove from such post any person so appointed. A person so appointed shall not be a Director for any of the purposes of these Articles or of the Statutes, and accordingly shall not be a member of the Board or (subject to Article 95) of any committee hereof, nor shall he be entitled to be present at any meeting of the Board or of any such committee except at the request of the Board or of such committee, and if present at such request he shall not be entitled to vote thereat.

#### **DIRECTORS' GRATUITIES AND PENSIONS**

126. The Board may exercise all the powers of the Company to provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any Director who has held but no longer holds any executive office or employment with the Company or with any body corporate which is or has been a subsidiary undertaking of the Company or a predecessor in business of the Company or of any such subsidiary undertaking, and for any member of his family (including a spouse and a former spouse) or any person who is or was dependent on him, and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

#### **ALTERNATE DIRECTORS**

127. Any Director (other than an alternate Director) may appoint another Director, or any other person approved by the Board and willing to act, to be an alternate Director and may at any time terminate that appointment.
128. An alternate Director shall (subject to his giving to the Company a postal address within the United Kingdom and, if applicable, an address in relation to which electronic communications may be received by him) be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his appointor is a member, to attend and vote at any such meeting at which the Director appointing him is not personally present, and generally to perform all the functions of his appointor as a Director in his absence, but it shall not be necessary to give notice of such a meeting to an alternate Director who is absent from the United Kingdom.

129. An alternate Director shall automatically cease to be an alternate Director if his appointor ceases to be a Director or dies; but, if a Director retires by rotation or otherwise vacates office but is elected or deemed to have been elected at the meeting at which he retires, any appointment of an alternate Director made by him which was in force immediately prior to his retirement shall continue after his election. The appointment of an alternate Director shall also automatically cease on the happening of any event which, if he were a Director, would cause him to vacate office.
130. Any appointment or removal of an alternate Director shall be by notice to the Company signed by the Director making or revoking the appointment or in any other manner approved by the Board.
131. Save as otherwise provided in these Articles, an alternate Director shall be deemed for all purposes to be a Director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Director appointing him. An alternate Director may be repaid by the Company such expenses as might properly have been repaid to him if he had been a Director but shall not (unless the Company by ordinary resolution otherwise determines), in respect of his office of alternate Director, be entitled to receive any remuneration or fee from the Company. An alternate Director shall be entitled to be indemnified by the Company to the same extent as if he were a Director.
132. An alternate Director shall not be required to hold any shares in the Company and shall not be counted in reckoning any maximum number of Directors permitted by these Articles.

#### **PROCEEDINGS OF THE BOARD**

133. The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any such meetings shall be determined by a majority of votes. In case of an equality of votes, the chairman of the meeting shall have a second or casting vote. A Director who is also an alternate Director shall be entitled, in the absence of his appointor, to a separate vote on behalf of his appointor in addition to his own vote and an alternate Director who is appointed by two or more Directors shall be entitled to a separate vote on behalf of each of his appointors in the appointor's absence. A Director may, and the secretary on the requisition of a Director shall, call a meeting of the Board and notice of such meeting shall be deemed to be duly given to each Director if it is given to him personally or by word of mouth or sent in writing to him at his last-known address or any other address given by him to the Company for this purpose or sent by way of electronic means to an address for the time being notified by him to the Company for this purpose. It shall not be necessary to give notice of a meeting of the Board to any Director absent from the United Kingdom.
134. The quorum necessary for the transaction of the business of the Board may be fixed by the Board, and unless so fixed at any other number shall be two. A Director or other person who is present at a meeting of the Board in more than one capacity (that is to say, as both Director and an alternate Director or as an alternate for more than one Director) shall not be counted as two or more for quorum purposes unless at least one other Director or alternate Director is also present.
135. Any Director or alternate Director may validly participate in a meeting of the Board or a committee of the Board through the medium of conference telephone or similar form of communication equipment Provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Subject to the Statutes, all business transacted in such a manner by the Board or a committee of the Board shall, for the purposes of these Articles, be deemed to be validly and effectively transacted at a meeting of the Board or a committee of the Board, notwithstanding that fewer than two Directors or alternate Directors are physically present at the same place. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.
136. The Board may appoint from its number, and remove, a chairman and, if it thinks fit, a deputy chairman of its meetings and determine the period for which they are respectively to hold office. If no such chairman or deputy

chairman is appointed, or neither is present within five minutes after the time fixed for holding any meeting, or neither of them is willing to act as chairman, the Directors present may choose one of their number to act as chairman of such meeting.

137. A resolution in writing signed by all the Directors for the time being entitled to receive notice of a meeting of the Board (not being less than the number of Directors required to form a quorum of the Board) or by all the members of a committee of the Board for the time being shall be as valid and effective as a resolution passed at a meeting of the Board or committee duly convened and held. A resolution signed by an alternate Director need not be signed by his appointor and, if it is executed by a Director who has appointed an alternate Director, it need not also be executed by the alternate Director in that capacity. The resolution may consist of one document or several documents in like form each signed by one or more Directors or alternate Directors and such documents may be facsimile copies of the signed resolution.
138. All acts done by any meeting of the Board, or of a committee of the Board, or by any person acting as a Director or by an alternate Director, shall as regards all persons dealing in good faith with the Company, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any Director, alternate Director or person so acting, or that they or any of them were disqualified, or had vacated office or were not entitled to vote, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified and had continued to be a Director or an alternate Director and had been entitled to vote.

#### **DIRECTORS' INTERESTS**

**139. Directors' interests in transactions or arrangements with the Company**

**139.1** Provided that Articles 139.2 and 141 are complied with, a director, despite his office:

- 139.1.1 may enter into or otherwise be interested in any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
- 139.1.2 (except that of auditor or auditor of a subsidiary of the Company) may hold any other office or place of profit under the Company in conjunction with the office of director and may act by himself or through his firm in a professional capacity to the Company and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
- 139.1.3 may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any company promoted by the Company or in which the Company is otherwise (directly or indirectly) interested or as regards which the Company has any powers of appointment; and
- 139.1.4 shall not be liable to account to the Company for any profit, remuneration or other benefit realised by any such office, employment, transaction or arrangement and no such transaction or arrangement shall be avoided on the grounds of any such interest or benefit.

**139.2** Other than as provided in this Article 139, a director shall not vote on, or be counted in the quorum in relation to, any resolution of the directors concerning any transaction or arrangement to which the Company is or is to be a party and in which he (together with any person connected with him) is to his knowledge materially interested, directly or indirectly (otherwise than by virtue of his interests in shares or debentures or other securities of, or otherwise in or through, the Company). This prohibition shall not apply to a director in respect of a resolution:

**140.1** relating to the giving of any guarantee, security or indemnity in respect of:

- 140.1.1 money lent or obligations incurred by him or by any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings; or

- 140.1.2** a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part, either alone or jointly with others, under a guarantee or indemnity or by the giving of security;
- 140.2** where the Company or any of its subsidiary undertakings is offering securities in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which the director is to participate;
- 140.3** involving another company in which he (and any person connected with him) has a direct or indirect interest of any kind (including an interest by holding any position, or by holding an interest in shares, in that company). Provided that this Article 140.3 shall not apply if the director knows that he (and any person connected with him) holds an interest in shares (within the meaning set out in Part 22 of the Act) representing one per cent or more of either any class of equity share capital, or the voting rights, in such company (excluding any shares of that class, or any voting rights attached to shares, which are held as treasury shares);
- 140.4** relating to an arrangement for the benefit of the employees of the Company or any of its subsidiary undertakings which does not award him any privilege or benefit not generally awarded to the employees to whom such arrangement relates; or
- 140.4.1** concerning:
- (a) insurance which the Company proposes to maintain or purchase for the benefit of directors or for the benefit of persons including directors; or
  - (b) indemnities in favour of directors; or
  - (c) the funding of expenditure by one or more directors on defending proceedings against such director or them or doing anything to enable such director or directors to avoid incurring such expenditure.
- 140.5** A director shall not vote or be counted in the quorum on any resolution of the directors concerning his own appointment (including fixing or varying the terms of his appointment or its termination) as the holder of any office or place of profit with the Company or any company in which the Company is interested. Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment or its termination) of two or more directors to offices or places of profit with the Company or any company in which the Company is interested, such proposals may be divided and a separate resolution considered in relation to each director. In such case, each of the directors concerned (if not otherwise debarred from voting under this Article 140) shall be entitled to vote (and be counted in the quorum) in respect of each resolution, except that concerning his own appointment.
- 140.6** If any question arises at any meeting as to the materiality of a director's interest (other than the chairman of the meeting's interest) or as to the entitlement of any director (other than the chairman of the meeting) to vote or to be counted in a quorum, and such question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, such question shall be referred to the chairman of the meeting. The chairman of the meeting's ruling in relation to the director concerned shall be final and conclusive (except where it subsequently becomes apparent that the nature or extent of the interests of the director concerned have not been fairly disclosed).
- 140.7** If any question arises at any meeting as to the materiality of the chairman of the meeting's interest or as to the entitlement of the chairman of the meeting to vote or to be counted in a quorum, and such question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, such question shall be decided by resolution of the directors or committee members present at the meeting (excluding the chairman). The majority vote of the directors or committee members shall be final and conclusive (except where it

subsequently becomes apparent that the nature or extent of the interests of the chairman of the meeting have not been fairly disclosed).

**140.8** Subject to the provisions of the Act, the Company may by ordinary resolution suspend or relax the provisions of this Article 140, either generally or in respect of any particular matter, or ratify any transaction not duly authorised by reason of a contravention of this Article 140.

**140.9** For the purposes of this Article 140:

**140.9.1** sections 252-255 of the Act shall be applied to determine whether a person is connected with a director;

**140.9.2** an interest of a person who is connected with a director shall be treated as an interest of the director;

**140.9.3** in relation to an alternate, an interest of his appointor shall be treated as an interest of the alternate, in addition to any interest which the alternate otherwise has; and

**140.9.4** without prejudice to Article 140.9.3, the provisions of this Article shall apply to an alternate director as if he were a director otherwise appointed.

**141. Directors' interests other than in relation to transactions or arrangements with the Company**

**141.1** For the purposes of this Article 141 and Article 142:

**"Relevant Situation"** means a situation or matter in which a director has a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company (including, without limitation, in relation to the exploitation of any property, information or opportunity, whether or not the Company could take advantage of it) but excludes (i) any situation or matter which cannot reasonably be regarded as likely to give rise to a conflict of interest and (ii) any conflict of interest arising in relation to a transaction or arrangement with the Company;

**"Independent Directors"** means, in relation to any resolution of the board or of a committee of the board concerning a Relevant Situation, the directors excluding any Interested Director;

**"Interested Director"** means, in relation to any Relevant Situation, any director interested in that Relevant Situation; and

any reference to a conflict of interest includes a conflict of interest and duty and a conflict of duties.

**141.2** If a Relevant Situation arises:

**141.2.1** from the appointment or proposed appointment of a person as a director of the Company, the Independent Directors may resolve to authorise the appointment of the director and the Relevant Situation on such terms as they may determine; or

**141.2.2** in circumstances other than in Article 141.2.1 the Independent Directors may resolve to authorise the Relevant Situation and the continuing performance by the Interested Director of his duties on such terms as they may determine.

**141.3** No Interested Director shall vote or be counted in the quorum in relation to any resolution referred to in Article 141.2.

**141.4** Any terms determined by the Independent Directors under Article 141.2 may be imposed at the time of authorisation or may be imposed or varied subsequently and may include (without limitation):



- 141.4.1 whether the Interested Director(s) may vote (or be counted in the quorum at a meeting) in relation to any resolution relating to the Relevant Situation;
  - 141.4.2 the exclusion of the Interested Director(s) from all information and discussion by the Company of the Relevant Situation; and
  - 141.4.3 (without prejudice to the general obligations of confidentiality) the application to the Interested Director(s) of a strict duty of confidentiality to the Company for any confidential information of the Company in relation to the Relevant Situation.
- 141.5 An Interested Director must act in accordance with any terms determined by the Independent Directors under Article 141.2.
- 141.6 Except as specified in Article 141.2, any proposal made to the directors and any authorisation by the directors in relation to a Relevant Situation shall be dealt with in the same way as any other matter may be proposed to and resolved upon by the directors in accordance with the provisions of these Articles.
- 141.7 Any authorisation of a Relevant Situation given by the Directors under Article 141.2 may provide that, where the Interested Director obtains (other than through his position as a director) information that is confidential to a third party, he will not be obliged to disclose it to the Company or to use it in relation to the Company's affairs in circumstances where to do so would amount to a breach of that confidence.
- 141.8 A director shall not, by reason of his holding office as a director (or of the fiduciary relationship established by holding that office), be liable to account to the Company for any remuneration, profit or other benefit resulting from any Relevant Situation authorised under Article 141.2 and no contract shall be liable to be avoided on the grounds of any director having any type of interest authorised under Article 141.2.
- 142. Provisions applicable to declarations of interest**
- 142.1 An Interested Director shall declare the nature and extent of his interest in a Relevant Situation to the other directors.
- 142.2 A director who is in any way (directly or indirectly) interested in any proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other directors.
- 142.3 A director who is in any way (directly or indirectly) interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other directors unless the interest has been declared under Article 142.2.
- 142.4 The declaration of interest must (in the case of Article 142.3) and may, but need not (in the case of Article 142.1 or 142.2) be made:
- 142.4.1 at a meeting of the directors; or
  - 142.4.2 by notice to the directors in accordance with section 184 or section 185 of the Act.
- 142.5 If a declaration of interest proves to be, or becomes, inaccurate or incomplete, a further declaration must be made.
- 142.6 Any declaration of interest required by Article 142.1 must be made as soon as is reasonably practicable.
- 142.7 Any declaration of interest required by Article 142.2 must be made before the Company enters into the transaction or arrangement.

- 142.8** Any declaration of interest required by Article 142.3 must be made as soon as is reasonably practicable. Failure to comply with this requirement does not affect the underlying duty to make the declaration.
- 142.9** A declaration in relation to an interest of which the director is not aware is not required. For this purpose, a director is treated as being aware of matters of which he ought reasonably to be aware.
- 142.10** A director need not declare an interest:
- 142.10.1** if it cannot reasonably be regarded as likely to give rise to a conflict of interest;
  - 142.10.2** if, or to the extent that, the other directors are already aware of it (and for this purpose the other directors are treated as aware of anything of which they ought reasonably to be aware); or
  - 142.10.3** if, or to the extent that, it concerns terms of his service contract that have been or are to be considered by a meeting of the directors or by a committee of the directors appointed for the purpose under the Articles.

#### **SECRETARY**

- 143.** Subject to the Statutes, the secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit, and any secretary appointed by the Board may at any time be removed by it.
- 144.** Any provision of the Statutes or these Articles requiring or authorising a thing to be done by or to a Director and the secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the secretary.

#### **MINUTES**

- 145.** The Board shall cause minutes to be kept:
- 145.1** of all appointments of officers made by the Board;
  - 145.2** of the names of the Directors present at each meeting of the Board and of any committee of the Board; and
  - 145.3** of all proceedings at meetings of the Company or the holders of any class of shares in the Company and of the Board and committees of the Board.
- 146.** Any such minutes, if purporting to be signed by the chairman of the meeting to which they relate or of the meeting at which they are read, shall be sufficient evidence without any further proof of the facts therein stated.

#### **THE SEAL**

- 147.** The Board shall provide for the safe custody of such seal. The seal shall only be used by the authority of the Board or of a committee of the Board authorised by the Board. The Board shall determine who may sign any instrument to which the seal is affixed and, unless otherwise so determined, it shall be signed by a Director and shall be countersigned by the secretary or by a second Director or by some other person appointed by the Board for the purpose.
- 148.** All forms of certificates for shares or debentures or representing any other form of security (other than letters of allotment or scrip certificates) shall be issued executed by the Company but the Board may by resolution determine, either generally or in any particular case, that any signatures may be affixed to such certificates by some mechanical or other means or may be printed on them or that such certificates need not bear any signature.

149. The Company may have an official seal for use abroad under the provisions of the Act, where and as the Board shall determine, and the Company may by an instrument executed by the Company appoint any agent or committee abroad to be the duly authorised agent or committee of the Company for the purpose of affixing and using such official seal and may impose such restrictions on the use thereof as it may think fit.

#### **ACCOUNTING RECORDS, BOOKS AND REGISTERS**

150. The Directors shall cause accounting records to be kept and such other books and registers as are necessary to comply with the provisions of the Statutes and, subject to the provisions of the Statutes, the Directors may cause the Company to keep an overseas or local or other register in any place, and the Directors may make and vary such directions as they may think fit respecting the keeping of the registers.
151. No member of the Company (other than a Director) shall have any right of inspecting any accounting record or book or document except as conferred by law or authorised by the Board or by the Company in general meeting.
152. The Board shall, in accordance with the Statutes, cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are required by the Statutes. The Board shall in its report state the amount which it recommends to be paid by way of dividend.
153. A printed copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Company in general meeting and of the Directors' and auditors' reports shall, at least 21 clear days before the meeting, be delivered or sent by post to every member and to every debenture holder of the Company of whose address the Company is aware or, in the case of joint holders of any share or debenture, to the joint holder who is named first in the register and to the auditors. Provided that, if and to the extent that the Statutes so permit and without prejudice to Article 155, the Company need not send copies of the documents referred to above to members but may send such members summary financial statements or other documents authorised by the Statutes. Where permitted by the Statutes, the Company may, if the Board so determines in its absolute discretion, send any document or copy document referred to in this Article to the persons referred to in this Article or any of them by electronic communication.

#### **AUDIT**

154. Auditors of the Company shall be appointed and their duties regulated in accordance with the Statutes.
155. The auditors' report to the members made pursuant to the statutory provisions as to audit shall be laid before the Company in general meeting and shall be open to inspection by any member; and in accordance with the Statutes every member shall be entitled to be furnished with a copy of the balance sheet (including every document required by law to be annexed thereto) and auditors' report.

#### **AUTHENTICATION OF DOCUMENTS**

156. Any Director or the secretary or any person appointed by the Board for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Board and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts; and where any books, records, documents or accounts are elsewhere than at the office, the officer of the Company having the custody thereof shall be deemed to be a person appointed by the Board, as aforesaid.
157. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting of the Company or of the Board or of any committee of the Board which is certified as such in accordance with Article 156 shall be conclusive evidence in favour of all persons dealing with the Company on the faith thereof that such resolution has been duly passed or, as the case may be, that such extract is a true and accurate record of proceedings at a duly constituted meeting.

## **RECORD DATES**

158. Notwithstanding any other provision of these Articles but without prejudice to the rights attached to any shares, the Board may fix a date as the record date for any dividend, distribution, allotment or issue and such record date may be on or at any time within six months before or after any date on which such dividend, distribution, allotment or issue is declared, paid or made.

## **DIVIDENDS**

159. Subject to the Statutes, the Company may by ordinary resolution declare that out of profits available for distribution there be paid dividends to members in accordance with their respective rights and priorities but no dividend shall exceed the amount recommended by the Board.
160. Except as otherwise provided by these Articles or the rights attached to any shares, all dividends shall be declared and paid according to the amounts paid on the shares in respect of which the dividend is paid; but no amount paid on a share in advance of the date upon which a call is payable shall be treated for the purposes of this Article or Article 162 as paid on the share.
161. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date or be entitled to dividends declared after a particular date, such share shall rank for or be entitled to dividends accordingly.
162. Any general meeting declaring a dividend may, upon the recommendation of the Board, by ordinary resolution direct that it shall be paid or satisfied wholly or partly by the distribution of assets, and in particular by paid-up shares or debentures of any other company, and the Board shall give effect to such direction. Where any difficulty arises in regard to such distribution, the Board may settle it as it thinks expedient, and in particular may issue fractional certificates or authorise any person to sell and transfer any fractions or may ignore fractions altogether, and may fix the value for distribution purposes of such assets (or any part thereof) and may determine that cash shall be paid to any members upon the footing of the value so fixed in order to secure equality of distribution, and may vest any such assets in trustees, upon trust for the members entitled to the dividend, as may seem expedient to the Board.
163. Subject to the Statutes, the Board may from time to time pay to the members such interim dividends as appear to the Board to be justified by the profits of the Company available for distribution and the position of the Company, and the Board may also pay the fixed dividend payable on any shares of the Company with preferential rights half-yearly or otherwise on fixed dates whenever such profits, in the opinion of the Board, justify that course. In particular (but without prejudice to the generality of the foregoing), if at any time the share capital of the Company is divided into different classes, the Board may pay interim dividends on shares in the capital of the Company which confer deferred or non-preferential rights as well as in respect of shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferential rights if, at the time of payment, any preferential dividend is in arrear. Provided the Board acts in good faith, the Board shall not incur any liability to the holders of shares conferring any preferential rights for any loss that they may suffer by reason of the lawful payment of an interim dividend on any shares having deferred or non-preferential rights.
164. The Board may deduct from any dividend payable to any member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to shares in the Company.
165. All dividends and interest shall belong and be paid (subject to any lien of the Company) to those members whose names shall be on the register at the date at which such dividend shall be declared or at the date at which such interest shall be payable respectively, or at such other date as the Company by ordinary resolution or the Board may determine, notwithstanding any subsequent transfer or transmission of shares.

166. The Board may pay the dividends or interest payable on shares in respect of which any person is by transmission entitled to be registered as holder to such person upon production of such certificate and evidence as would be required if such person desired to be registered as a member in respect of such shares.
167. No dividend or other monies payable in respect of a share shall bear interest against the Company unless otherwise expressly provided by the rights attached to the share. All dividends, interest and other sums payable which are unclaimed for one year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until such time as they are claimed. The payment of any unclaimed dividend, interest or other sum payable by the Company on or in respect of any share into a separate account shall not constitute the Company a trustee of the same. All dividends unclaimed for a period of 12 years after having been declared shall be forfeited and shall revert to the Company.
168. The Company may pay any dividend, interest or other monies payable in cash in respect of shares by direct debit, bank transfer, cheque, dividend warrant or money order. In respect of shares in uncertificated form, where the Company is authorised to do so by or on behalf of the holder or joint holders in such manner as the Company shall from time to time consider sufficient, the Company may also pay any such dividend, interest or other monies by means of the relevant system concerned (subject always to the facilities and requirements of that relevant system). Without prejudice to the generality of the foregoing, in respect of shares in uncertificated form, such payment may include the sending by the Company or by any person on its behalf of an instruction to the Operator of the relevant system to credit the cash memorandum account of the holder or joint holders or, if permitted by the Company, of such person as the holder or joint holders may in writing direct.
169. Every such cheque, warrant or order may be remitted by post directed to the registered postal address of the holder or, in the case of joint holders, to the registered postal address of the joint holder whose name stands first in the register, or to such person and to such postal address as the holder or joint holders may in writing direct. Every such cheque, warrant or order shall be made payable to or to the order of the person to whom it is sent, or to such other person as the holder or joint holders may in writing direct.
170. Every such payment made by direct debit or bank transfer shall be made to the holder or joint holders or to or through such other person as the holder or joint holders may in writing direct.
171. The Company shall not be responsible for any loss of any such cheque, warrant or order and any payment made by direct debit, bank transfer, by means of a relevant system or such other method shall be at the sole risk of the holder or joint holders. Without prejudice to the generality of the foregoing, if any such cheque, warrant or order has or shall be alleged to have been lost, stolen or destroyed, the Directors may, on request of the person entitled thereto, issue a replacement cheque, warrant or order subject to compliance with such conditions as to evidence and indemnity and the payment of out-of-pocket expenses of the Company in connection with the request as the Directors may think fit.
172. Payment of such cheque, warrant or order, the collection of funds from or transfer of funds by a bank in accordance with such direct debit or bank transfer or, in respect of shares in uncertificated form, the making of payment in accordance with the facilities and requirements of the relevant system concerned shall in each case be a good discharge to the Company.
173. Any one of two or more joint holders may give effectual receipts for any dividends or other monies payable in respect of the share held by him as joint holder.
174. The Board may, if authorised by an ordinary resolution of the Company, offer the holders of ordinary shares the right to elect to receive additional ordinary shares, credited as fully paid, instead of cash in respect of any dividend or any part (to be determined by the Board) of any dividend specified by the ordinary resolution. The following provisions shall apply:

- 174.1 an ordinary resolution may specify a particular dividend or dividends, or may specify all or any dividends declared within a specified period, but such period may not end later than the conclusion of the fifth annual general meeting following the date of the meeting at which the ordinary resolution is passed;
- 174.2 the entitlement of each holder of ordinary shares to new ordinary shares shall be such that the relevant value of such new ordinary shares shall in aggregate be as nearly as possible equal to (but not greater than) the cash amount (disregarding any tax credit) that such holder would have received by way of dividend. For this purpose "relevant value" shall be calculated by reference to the average of the middle market quotations for the Company's ordinary shares on the London Stock Exchange as derived from the Daily Official List on the day on which the ordinary shares are first quoted "ex" the relevant dividend and the four subsequent dealing days, or in such other manner as may be determined by or in accordance with the ordinary resolution, but shall never be less than the par value of the new ordinary share. A certificate or report by the auditors as to the amount of the relevant value in respect of any dividend shall be conclusive evidence of that amount;
- 174.3 the Board may, after determining the basis of allotment, notify the holders of ordinary shares in writing of the right of election offered to them, and specify the procedure to be followed and place at which, and the latest time by which, elections must be lodged in order to be effective. The basis of allotment shall be such that no shareholder may receive a fraction of a share;
- 174.4 the Board may exclude from any offer any holders of ordinary shares where the Board believes that the making of the offer to them would or might involve the contravention of the laws of any territory or that for any other reason the offer should not be made to them;
- 174.5 the dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable on ordinary shares in respect of which an election has been made (the "elected ordinary shares") and instead additional ordinary shares shall be allotted to the holders of the elected ordinary shares on the basis of allotment calculated as stated. For such purpose the Board shall capitalise, out of any amount for the time being standing to the credit of any reserve or fund (including any share premium account, any capital reserve and the profit and loss account) or otherwise available for distribution as the Board may determine, a sum equal to the aggregate nominal amount of the additional ordinary shares to be allotted on that basis and apply it in paying up in full the appropriate number of unissued ordinary shares for allotment and distribution to the holders of the elected ordinary shares on that basis;
- 174.6 the additional ordinary shares when allotted shall rank *pari passu* in all respects with fully paid ordinary shares then in issue except that they will not be entitled to participate in the relevant dividend (including the share election in lieu of such dividend); and
- 174.7 the Board may do such acts and things which it considers necessary or expedient to give effect to any such capitalisation and may authorise any person to enter on behalf of all the members interested into an agreement with the Company providing for such capitalisation, and any incidental matters and any agreement so made shall be binding on all concerned.

#### **RESERVES**

175. The Board may, before recommending any dividend (whether preferential or otherwise), set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, and pending such application may, also at such discretion, either be employed in the business of the Company or be invested in such investments as the Board may think fit, and so that it shall not be necessary to keep any investments constituting the reserve or reserves separate or distinct from any other investments of the Company. The Board may also, without placing the same to reserve, carry forward any profits which it may think prudent not to distribute.

## CAPITALISATION OF PROFITS

176. The Company may, upon the recommendation of the Board, resolve by ordinary resolution that it be desirable to capitalise all or any part of the profits of the Company specified in Article 180 and accordingly that the Board be authorised and directed to appropriate the profits so resolved to be capitalised to the members as at the date specified in the relevant resolution or determined as therein provided who would have been entitled thereto if distributed by way of dividend and in the same proportions.
177. Subject to any direction given by the Company, the Board shall appropriate the profits resolved to be capitalised by any such resolution, and apply such profits on behalf of the members entitled thereto either:
- 177.1 in or towards paying up the amounts, if any, for the time being unpaid on any shares held by such members respectively; or
- 177.2 in paying up in full unissued shares, debentures or obligations of the Company, of a nominal amount equal to such profits, for allotment and distribution, credited as fully paid, to and amongst such members in the proportions referred to above or as they may direct,
- or partly in one way and partly in the other Provided that no unrealised profit shall be applied in paying up amounts unpaid on any issued shares and the only purpose to which sums standing to capital redemption reserve or share premium account shall be applied pursuant to this Article shall be the payment up in full of unissued shares to be allotted and distributed to members credited as fully paid.
178. The Board shall have power after the passing of any such resolution:
- 178.1 to make such provision (by the issue of fractional certificates or by payment in cash or otherwise) as it thinks fit for the case of shares, debentures or obligations becoming distributable in fractions, such power to include the right for the Company to retain small amounts the cost of distribution of which would be disproportionate to the amounts involved;
- 178.2 to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing (as the case may require) either:
- 178.2.1 for the payment up by the Company on behalf of such members (by the application thereto of their respective proportions of the profits resolved to be capitalised) of the amounts, or any part of the amounts, remaining unpaid on their existing shares; or
- 178.2.2 for the allotment to such members respectively, credited as fully paid, of any further shares, debentures or obligations to which they may be entitled upon such capitalisation,
- and any agreement made under such authority shall be effective and binding on all such members.
179. The Company in general meeting may resolve that any shares allotted pursuant to Articles 174 to 178 (inclusive) to holders of any partly paid ordinary shares shall, so long as such ordinary shares remain partly paid, rank for dividends only to the extent that such partly paid ordinary shares rank for dividends.
180. The profits of the Company to which Articles 174 to 178 (inclusive) apply shall be any undivided profits of the Company not required for paying the fixed dividends on any preference shares or other shares issued on special conditions and shall also be deemed to include:
- 181.1 any profits arising from appreciation in capital assets (whether realised by sale or ascertained by valuation); and
- 181.2 any amounts for the time being standing to any reserve or reserves or to the capital redemption reserve or to the share premium or other special account.

- 181.3** For the purposes of Articles 174 to 180, unless the relevant resolution provides otherwise, if the Company holds treasury shares of the relevant class at the record date specified in the relevant resolution, it shall be treated as if it were entitled to receive the dividends in respect of those treasury shares which would have been payable if those treasury shares had been held by a person other than the Company.

#### NOTICES

- 182.** Subject to the specific terms of any Article, any notice to be given to or by any person pursuant to these Articles shall be in writing (which, for the avoidance of doubt, shall be deemed to include a notice given in electronic form or by website communication), save that a notice convening a meeting of the Board or of a committee of the Board need not be in writing.
- 183.** Save as provided in Articles 186 to 190, any notice or other Shareholder Information may be served by the Company on, or supplied by the Company to, any member personally or by sending it by first-class post in a prepaid envelope addressed to such member at his postal address as appearing in the register or by sending or supplying it in electronic form or by website communication in accordance with Article 186. In the case of joint holders of a share all notices or other Shareholder Information shall be given or supplied to the joint holder who is named first in the register, and notice so given or other Shareholder Information so supplied shall be sufficient notice or supply to all the joint holders. Any notice to be given to a member may be given by reference to the register as it stands at any time within the period of 15 days before the notice is given and no change in the register after that time shall invalidate the giving of the notice.
- 184.** In the case of notices or other Shareholder information sent by post, proof that an envelope containing the communication was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given or other Shareholder Information sent. If the communication is made by post, it shall be deemed to be given or received at the expiration of 48 hours after the envelope containing it was posted.
- 185.** Any member whose address in the register is not within the United Kingdom and who gives to the Company a postal address within the United Kingdom at which notices may be served upon him shall be entitled to have notices served upon him at such postal address, but otherwise no member, other than a member whose address in the register is within the United Kingdom, shall be entitled to receive any notice from the Company. Any member whose address in the register is not within the United Kingdom and who gives to the Company an address for the purposes of receipt of communications in electronic form may, at the absolute discretion of the Board, have notices served upon him at such address.
- 186.** Notices or other Shareholder Information may be communicated by the Company in electronic form or by means of a website communication as set out in these Articles.
- 186.1** Subject to the provisions of the Statutes, any notice or other Shareholder Information (excluding a share certificate) will be validly sent or supplied if sent or supplied by the Company to any member in electronic form if that person has agreed (generally or specifically) (or, if the member is a company and it is deemed by the Statutes to have agreed) that the communication may be sent or supplied in that form and:
- 186.1.1** the notice or other Shareholder Information is sent using electronic means (as that term is used in section 1168 of the Act) to such address (or to one of such addresses if more than one) as may for the time being be notified by the member to the Company (generally or specifically) for that purpose or, if the intended recipient is a company, to such address as may be deemed by a provision of the Statutes to have been so specified;
  - 186.1.2** the notice or other Shareholder Information is sent or supplied in electronic form by hand, handed to the recipient or sent or supplied to an address to which it could validly be sent if it were in hard copy form; and
  - 186.1.3** in each case that person has not revoked the agreement.



- 186.2** Subject to the provisions of the Statutes any notice or other Shareholder Information (excluding a share certificate) will be validly sent or supplied by the Company if it is made available by means of a website communication where that person has agreed, or is deemed by the Statutes to have agreed (generally or specifically) that the communication may be sent or supplied to him in that manner and:
- 186.2.1** that person has not revoked the agreement;
  - 186.2.2** the member is notified in a manner for the time being agreed for the purpose between the member and the Company of:
    - (a) the publication of the notice or other Shareholder Information on a website;
    - (b) the address of that website; and
    - (c) the place on that website where the notice or other Shareholder Information may be accessed and how it may be accessed;
  - 186.2.3** the notice or other Shareholder Information continues to be published on the website throughout the period specified in the Act; and
  - 186.2.4** the notice or other Shareholder Information is published on the website throughout the period referred to in Article 186.2.3 provided that if the notice or other Shareholder Information is published on that website for a part but not all of such period, the notice or other Shareholder Information will be treated as published throughout that period if the failure to publish the notice or other Shareholder Information throughout that period is wholly attributable to circumstances which it would not be reasonable to have expected the Company to prevent or avoid.
  - 186.2.5** where the notice is for the purpose of calling a general meeting of the Company, the notification given for the purposes of Article 186.2.2 must:
    - (a) state that it concerns a notice of a general meeting of the Company served in accordance with the Statutes;
    - (b) specify the place, date and time of the meeting; and
    - (c) state whether the meeting is to be an annual general meeting or a general meeting.
- 186.3** When any notice or other Shareholder Information is given or sent by the Company by electronic means (as that term is used in section 1168 of the Act), it shall be deemed to have been given at the expiration of 48 hours from the time it was sent to an address supplied by the member, and in the case of the publication of a notice or other Shareholder Information by website communication, it shall be deemed to have been received by the intended recipient when the material was first made available on the website or, if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website pursuant to Article 186.2.2. Proof that a notice contained in an electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given.
- 186.4** Any provision of this Article 186 which refers to anything agreed, notified or specified by a member shall be deemed to have been validly agreed, notified or specified, notwithstanding any provisions of the Statutes, if agreed, notified or specified by only one and not all of the joint holders of any shares held in joint names.
- 187.** Where in accordance with these Articles a member is entitled or required to give or send to the Company a notice in writing, the Company may, if it in its absolute discretion so decides (or shall, if it is deemed to have so agreed by any provision of the Statutes), permit such notices (or specified classes thereof) to be sent to the Company by such means of electronic communication as may from time to time be specified (or be deemed by

the Statutes to be agreed by the Company, so as to be received at such address as may for the time being be notified to the member by the Company (generally or specifically) for the purpose. Any means of so giving or sending such notices by electronic communication shall be subject to any terms, limitations, conditions or restrictions that the Directors may from time to time prescribe.

188. A member who (having no registered address within the United Kingdom) has not supplied to the Company either a postal address within the United Kingdom for the service of notices or an address for the service of notices in electronic form, subject always to the terms of Articles 185 and 186 shall not be entitled to receive notices from the Company. If, on three consecutive occasions, a notice to a member has been returned undelivered, such member shall not thereafter be entitled to receive notices from the Company until he shall have communicated with the Company and supplied in writing to the office a new postal address within the United Kingdom for the service of notices or shall have informed the Company, in such manner as may be specified by the Company, of an address for the service of notices in electronic form subject always to the terms of Articles 185 and 186. For these purposes, a notice sent by post shall be treated as returned undelivered if the notice is sent back to the Company (or its agents) and a notice sent by electronic communication shall be treated as returned undelivered if the Company (or its agents) receive(s) notification that the notice was not delivered to the address to which it was sent.
189. Every person who becomes entitled to a share:
- 189.1 except as mentioned in Article 189.2, shall be bound by any notice in respect of that share which, before his name is entered in the register, has been duly given to a person from whom he derives his title; but
- 189.2 shall not be bound by any such notice given by the Company under section 793 of the Act or under Article 79.
190. If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a general meeting by notices sent through the post, a general meeting may be convened by a notice advertised in at least one national newspaper and such notice shall be deemed to have been duly served on all members entitled thereto at noon on the day when the advertisement appears. In any such case, the Company may still serve notices in electronic form or by website communication, subject always to the Statutes, and shall send confirmatory copies of the notice by post to members to whom it was not sent in electronic form or by website communication and to those members to whom notification of the publication of the notice on the Company's website would usually be given by post if at least seven clear days prior to the meeting the posting of notices to postal addresses throughout the United Kingdom becomes practicable.
191. A person entitled to a share in consequence of the death, mental disorder or bankruptcy of a member on supply to the Company of such evidence as the Board may reasonably require to show his title to that share, and upon supplying also a postal address within the United Kingdom for the service of notices and documents and, if he wishes, an address for the service and delivery of electronic communications, shall be entitled (subject always to the terms of Articles 185 and 186) to have served on or delivered to him at such address any notice or document to which the member but for his death, mental disorder or bankruptcy would have been entitled, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Until such address or addresses have been so supplied, any notice or other Shareholder Information may be sent or supplied in any manner in which it might have been sent or supplied if the death, mental disorder or bankruptcy had not occurred and if so sent or supplied shall be deemed to have been duly sent or supplied in respect of any share registered in the name of such member as sole or first-named joint holder.
192. Any member present, either personally or by proxy or (in the case of a corporate member) by representative, at any general meeting of the Company or of the holders of any class of shares in the Company shall for all purposes be deemed to have received due notice of such meeting and, where requisite, of the purposes for which such meeting was called.

#### **UNTRACED MEMBERS**

- 193.** The Company shall be entitled to sell at the best price reasonably obtainable the shares of a member or the shares to which a person is entitled by virtue of transmission on death or bankruptcy if and Provided that:
- 193.1** during the period of 12 years prior to the date of the publication of the advertisements referred to in Article 193.2 (or, if published on different dates, the earlier or earliest thereof), at least three dividends in respect of the shares have become payable and no dividend has been claimed during that period in respect of such shares;
- 193.2** the Company shall, on or after the expiry of the said 12 years, have inserted advertisements, both in a national newspaper and in a newspaper circulating in the area of the last-known postal address of such member or other person (or the postal address at which service of notices may be effected in accordance with these Articles), giving notice of its intention to sell the said shares;
- 193.3** the said advertisements, if not published on the same day, shall be published within 30 days of each other; and
- 193.4** during the said period of 12 years and the period of three months following the date of publication of the said advertisements (or, if published on different dates, the later or latest thereof) and prior to the exercise of the power of sale, the Company shall not have received indication either of the whereabouts or of the existence of such member or person.
- 194.** If, during the period referred to in Article 193.1, any additional shares have been issued by way of rights in respect of shares held at the commencement of such period or in respect of shares so issued previously during such period, the Company may, if the requirement of Articles 193.1 to 193.4 have been satisfied, also sell such additional shares.
- 195.1** To give effect to any such sale the Company may:
- 195.1.1** if the shares concerned are in uncertificated form, in accordance with the uncertificated securities rules, issue a written notification to the Operator requiring the conversion of the shares into certificated form; and
- 195.1.2** appoint any person to execute as transferor an instrument of transfer of the said shares and such instrument of transfer shall be as effective as if it had been executed by the holder of, or person entitled by transmission to, such shares.
- 195.2** The title of the transferee shall not be affected by any irregularity in or invalidity of the proceedings relating thereto.
- 196.** The net proceeds of sale shall belong to the Company which shall:
- 196.1** be obliged to account to the former member or other person previously entitled as aforesaid for an amount equal to such proceeds; and
- 196.2** (until the Company has so accounted) enter the name of such former member or other person in the books of the Company as a creditor for such amount.
- 197.** No trust shall be created in respect of the debt, no interest shall be payable in respect of the same and the Company shall not be required to account for any money earned on the net proceeds which may be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company (if any)) as the Board may think fit.

#### **DESTRUCTION OF DOCUMENTS**

- 198.** The Company shall be entitled to destroy:

- 198.1 at any time after the expiration of six years from the date of registration thereof or on which an entry in respect thereof shall have been made (as the case may be), all instruments of transfer of shares of the Company which shall have been registered and all letters of request, renounced allotment letters, renounceable share certificates, forms of acceptance and transfers and applications for allotment in respect of which an entry in the register shall have been made;
- 198.2 at any time after the expiration of one year from the date of cancellation thereof, all registered certificates for shares of the Company (being certificates for shares in the name of a transferor and in respect whereof the Company has registered a transfer) and all mandates and other written directions as to the payment of dividends (being mandates or directions which have been cancelled); and
- 198.3 at any time after the expiration of one year from the date of the recording thereof, all notifications of change of name or address (including addresses for the purpose of receipt of communications in electronic form).
199. It shall conclusively be presumed in favour of the Company that every entry in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made, and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered, and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled, and every other document hereinbefore mentioned was in accordance with the recorded particulars thereof in the books or records of the Company Provided always that:
- 199.1 the foregoing provisions shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
- 199.2 nothing contained in this Article or Article 198 shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Article or Article 198;
- 199.3 references herein to the destruction of any document include references to its disposal in any manner; and
- 199.4 any document referred to in Articles 198.1, 198.2 and 198.3 may be destroyed at a date earlier than that authorised by Article 198 Provided that a permanent copy of such document shall have been made which shall not be destroyed before the expiration of the period applicable to the destruction of the original of such document and in respect of which the Board shall take adequate precautions for guarding against falsification and shall provide adequate means for its reproduction.

#### **WINDING-UP**

200. The power of sale of a liquidator shall include a power to sell wholly or partially shares or debentures, or other obligations of another company, either then already constituted, or about to be constituted, for the purpose of carrying out the sale.
201. On any voluntary winding-up of the Company, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act or the Insolvency Act 1986 (as amended), divide among the members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. Any such division shall be in accordance with the existing rights of the members. The liquidator may, with the like sanction, vest the whole or any part of the assets of the Company in trustees on such trusts for the benefit of the members as he, with the like sanction, shall determine, but no member shall be compelled to accept any assets on which there is a liability.

## **PROVISION FOR EMPLOYEES**

- 202.** The Company may, pursuant to a resolution of the Board, make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

## **INDEMNITY**

- 203.1** The Company may indemnify, out of the assets of the Company, any director of the Company or of any associated company (including any associated company which is a trustee of an occupational pension scheme) against all losses and liabilities which he may sustain or incur in the execution of the duties of his office or otherwise in relation thereto, provided that this Article 203.1 shall only have effect insofar as its provisions are not void under the Act.
- 203.2** Subject to the Act, the Company may provide a director of the Company with funds to meet expenditure incurred or to be incurred by him in defending any civil or criminal proceedings brought or threatened against him in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the Company or in connection with any application under the provisions mentioned in section 205(5) of the Act, and the Company shall be permitted to take or omit to take any action or enter into any arrangement which would otherwise be prohibited under section 197 of the Act to enable a director to avoid incurring such expenditure.
- 203.3** For the purpose of Article 203.1 the expression "associated company" has the meaning given in section 256 of the Act and "occupational pension scheme" has the meaning given in section 235(6) of the Act .

## **INSURANCE**

- 204.** Subject to the provisions of the Act, the Board shall have the power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors, officers or employees of the Company, or of any company or body which is its holding company or in which the Company or such holding company has an interest whether direct or indirect or which is in any way allied to or associated with the Company or who were at any time trustees of any pension fund in which any employees of the Company or of any other such company or body are interested including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company and/or any such other company, body or pension fund.